HOUSE OF COMMONS DEBATES

OFFICIAL REPORT

THIRD SESSION—THIRTY-FOURTH PARLIAMENT

41 Elizabeth II

VOLUME XI, 1992

COMPRISING THE PERIOD FROM THE SEVENTEENTH DAY OF NOVEMBER, 1992
TO THE SEVENTH DAY OF DECEMBER, 1992

INDEX ISSUED IN A SEPARATE VOLUME

Published under authority of the Speaker of the House of Commons by the Queen's Printer for Canada

Available from Canadian Communication Group — Publishing, Supply and Services Canada, Ottawa, Canada K1A 0S9.

HOUSE OF COMMONS

Tuesday, November 17, 1992

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

OFFICIAL LANGUAGES IN THE DEPARTMENT OF NATIONAL DEFENCE AND THE CANADIAN ARMED FORCES

TABLING OF REPORT OF DEPARTMENTAL COMMITTEE

Mr. Patrick Boyer (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, I have the honour today to table in the House, in both official languages, the report of the Departmental Committee on Official Languages in the Department of National Defence and the Canadian Armed Forces.

* * *

[*English*]

REGISTRATION OF LOBBYISTS

COMPREHENSIVE REVIEW OF ACT

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Mr. Speaker, I ask for the unanimous consent of the House for the following motion. I move:

> That pursuant to section 14 of an act respecting the registration of lobbyists, chapter 44, fourth supplement, Revised Statutes of Canada, 1985, the Standing Committee on Consumer and Corporate Affairs and Government Operations be the committee to undertake a comprehensive review of the administration and operation of this act and submit a report to the House no later than one year after the review is undertaken.

• (1010)

Mr. Riis: Mr. Speaker, I am not necessarily in opposition to this request for unanimous consent, but we have not had any consultations on this matter. Therefore I will have to deny the unanimous consent request now. It is not to be interpreted as being in opposition, but further consultation is necessary.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I see that there is no unanimous consent.

* * *

[*English*]

PETITIONS

BILL C-91

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 constituents.

They point out that Bill C-91, which is before the House at the moment, will allow brand name drug companies to market their drugs without any competition from the generic drug companies for up to 20 years. They say that this will increase the prices that provincial and private drug plans have to pay.

The petitioners are asking that we not proceed with Bill C-91. As well they suggest we repeal Bill C-22 which was passed in 1987. This would enable Canadians to have full benefit from lower priced generic drugs, allowing substantial savings to occur to provincial drug plans.

YOUNG OFFENDERS ACT

Mrs. Diane Marleau (Sudbury): Mr. Speaker, I rise to present petitions in memory of Rosalynn Dupuis, asking for changes to the Young Offenders Act.

I have received many petitions and it is unfortunate that a tragedy such as this one and many others that have occurred recently are what is driving us all to demand changes to the Young Offenders Act. We hope we can see these changes very quickly.

[*Translation*]

REQUEST FOR ELIMINATION OF VIOLENCE IN OUR SOCIETY

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I would like to table a petition from the Abitibi-Témiscamingue CEGEP in Val-d'Or. The petitioners declare that vio-

lent movies on television are dangerous and therefore unacceptable, because they incite more violence; that all toys that incite violent games are unacceptable and should not be made.

Information on violent acts that is repeated too often on all television stations and on radio can incite others to commit the same acts of violence.

Therefore the petitioners humbly ask Parliament to legislate on the above-mentioned points to eliminate violence in our society and thus better protect our children and give all our fellow citizens a better quality of life.

[*English*]

HEALTH CARE

Mr. Raymond Skelly (North Island—Powell River): Mr. Speaker, I have the honour to present a petition from thousands of health care providers, nurses who live on the Sunshine Coast in Powell River, British Columbia.

They ask the government to incorporate the principles of health care into the Canadian Constitution, to reaffirm the shared responsibility for financing the health care system between the provincial and federal governments, to establish a national arm's length monitoring system to ensure the implementation of interprovincial agreements and enforce those agreements where necessary under federal legislation.

[*Translation*]

HUMAN RIGHTS

Mr. Phillip Edmonston (Chambly): Mr. Speaker, I am very proud to present to this hon. House, pursuant to Standing Order 36, a petition from Canadians concerning Haitians who for more than 50 years have been forced to take part in an illegal trade in Haitian workers between Haiti and the Dominican Republic. Human beings are sold like cattle, confined in *bateys* and made to cut sugar cane in conditions that violate human rights.

I think this petition is very appropriate today.

[*English*]

SOFTWOOD LUMBER

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I have the pleasure of presenting a petition from several hundred constituents drawing the House's attention to the fact that the United States has unfairly imposed a duty on our softwood lumber exports to that country and has engaged in numerous other trade practices which amount to harassment to Canadian producers.

They also note that the free trade agreement between Canada and the United States has resulted in lost jobs and the devastation of the Canadian economy while not providing the promised benefits.

Therefore they call upon Parliament to request that the Prime Minister and the minister responsible for international trade take any action necessary to defend the interests of the Canadian softwood lumber industry against unfair duties and also to request that Parliament act immediately to effect the cancellation of the Canada-U.S. Free Trade Agreement.

VIOLENCE AGAINST WOMEN

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, pursuant to Standing Order 36, I have the privilege to present to Parliament petitions signed by hundreds of constituents. They humbly pray and call upon Parliament to accept legislation designed to eliminate violence against women and children.

They want to encourage and support women to report incidents of assault or abuse, provide assistance and support for women reporting assault or abuse, and provide relief and support to women as mothers to protect their children.

We need legislation to emphasize the need for abuser rehabilitation and we must concentrate a special effort on training of police, lawyers, court workers and judges to become knowledgeable about women and child abuse and to focus public attention on this very important and long ignored problem.

BILL C-91

Mr. Ron Fisher (Saskatoon—Dundurn): Mr. Speaker, it is a pleasure to present a petition, duly authorized under Standing Order 36, from many of my constituents in Saskatoon. They point out that the Mulroney govern-

ment, through Bill C–91, seeks to end the licensing of further generic drugs in Canada. Bill C–91 has the potential of eliminating the possibility of generic drug manufacture for up to 20 years.

They point out that with the change from seven years to 10 years in Bill C–22, prices rose inordinately in comparison to the cost of inflation and the cost of manufacture and was a heavy burden on the drug plans of the provinces, of private drug plans, and of private people as well.

They ask the government not to proceed with Bill C–91 and to repeal Bill C–22.

IMMIGRATION

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I have the privilege of presenting two petitions this morning.

The first one points out that family class and assisted relative immigrants have historically been an important part of Canadian immigration. It also points out that family class and assisted relatives have relatives in Canada that will assist them in finding employment, housing, and learning Canadian languages and customs, thus speeding their integration into Canadian society.

It also points out that the present proposals by this government are going to make it more difficult for family class and assisted relatives to obtain immigration to Canada. It calls upon the government to change its attitude and give first priority to family class and assisted relatives in looking at immigration.

INDIA

Mr. Jim Karpoff (Surrey North): Mr. Speaker, my second petition points out that 75 per cent of all business in the New Delhi office in India on both immigration and visitors' visas comes from the Punjab. It is very difficult for people to travel from the Punjab to New Delhi, and that the New Delhi office is grossly overworked.

It asks that a new consular office be opened in the Punjab immediately to provide both visitor visa service and immigration services for the people of the Punjab.

NORTHERN TAX ALLOWANCE

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, I have two petitions this morning.

I am pleased today to present petitions relating to the northern tax allowance signed by residents of Pierceland, Goodsoil, and the regional municipality of Beaver River, Saskatchewan.

The petitioners note that earlier this summer the Tax Court of Canada ruled that Revenue Canada erred in its interpretation of a section of the northern tax rules, but Revenue Canada policy does not allow all the residents of the area to benefit from that tax court ruling.

The petitioners ask that the Minister of National Revenue take note of this tax court ruling and review all cases where people in northwest Saskatchewan may be eligible for the northern tax benefit but are currently denied that benefit because of existing Revenue Canada policy.

I would like to add that I have already sent a copy of these petitions to the Minister of National Revenue.

BILL C–91

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, the opposition to Bill C–91, being debated in Parliament these days, is growing.

Today I have the duty and honour to present petitions signed by hundreds of residents of northwest Saskatchewan. They ask the federal government to withdraw Bill C–91, the act of Parliament that will allow brand name prescription drug companies to market their drugs without competition from generic drugs for up to 20 years.

• (1020)

By withdrawing this damaging piece of legislation, the petitioners claim that Canadians will be able to continue to enjoy the benefits of lower priced generic drugs and the provincial drug plans can better serve Canadians without charging higher fees or providing less coverage.

There are 438 signatures on these petitions and others that I will table in the days ahead will contain more than 1,200 signatures from my constituency.

DOMINICAN REPUBLIC

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, it is my duty and honour to present a petition on behalf of a number of citizens from the province of Quebec who deplore the illegal traffic of Haitian workers in the Dominican Republic.

They call upon Parliament to encourage the government and the United Nations to do something about the situation, even to the extent of imposing sanctions upon the Dominican Republic because of its treatment of these workers as they cross these borders.

BILL C-91

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, it is my pleasure and duty to rise to present a petition that is truly a national petition, from Vancouver Island through to Newfoundland and from every province in the Confederation.

These people are concerned about the present bill before the House of Commons, Bill C-91, which seeks to end the licensing of further no-name generic drugs in Canada.

This petitions is signed by all age groups in Canada as well, from seniors to young people who are concerned with the increased cost of drugs as a result of this particular bill. They are asking the government to not proceed with the bill and to repeal Bill C-22 so that in fact we can continue in Canada with our low-cost drugs for all age groups for all regions of the country.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I have a petition on behalf of my constituents in Coquitlam, B.C., Port Moody, Port Coquitlam and Belcarra.

It is on the drug legislation, Bill C-91. The petitioners say that Bill C-91 will allow brand name drug companies to market their drugs without competition from generic drugs for periods of up to 20 years. They point out that generics are no-name drugs which are cheaper than brand name drugs.

They are objecting to the government extending this period in which the brand name drugs will have a monopoly and which will mean higher drug costs for my constituents. Both myself and my constituents are dead set against that.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Mr. Speaker, I ask that all questions be allowed to stand.

The Acting Speaker (Mr. DeBlois): Shall all questions be allowed to stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

PATENT ACT

ALLOCATION OF TIME TO CONSIDER SECOND READING OF BILL C-91

Hon. Paul Dick (Minister of Supply and Services): Mr. Speaker, I move, pursuant to Standing Order 78(3):

> That, in relation to Bill C-91, an act to amend the Patent Act, to amend another act in consequence thereof and to provide for other related matters, not more than one further sitting day shall be allotted to the consideration of the second reading stage of the bill; and that, fifteen minutes before the expiry of the time provided for Government Orders on the allotted day to the second reading stage consideration of the said bill, any proceedings before the House shall be interrupted, if required, for the purpose of this Order and, in turn, every question necessary in order to dispose of the stage of the bill then under consideration shall be put forthwith and successively without further debate or amendment.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Call in the members.

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

(Division No. 240)

YEAS

Members

Anderson
Atkinson
Belsher
Bertrand
Blackburn (Jonquière)
Bosley
Boyer
Browes
Campbell (Vancouver Centre)
Casey
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Cook
Corbeil
Crosbie (St. John's West)
Darling
Della Noce
Dick
Domm
Duplessis
Epp
Feltham
Fretz
Gibeau
Greene
Gustafson
Horner
Hudon
Jacques
Jelinek
Joncas
Kempling
Landry
Larrivée
Loiselle
MacDonald (Rosedale)
MacKay
Martin (Lincoln)
Mazankowski
McDermid
McLean
Mitges
Moore
O'Kurley
Porter
Reimer
Richardson
Roy-Arcelin
Schneider
Siddon
Soetens
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Van De Walle
Vien
Weiner
White
Wilson (Etobicoke Centre)
Worthy—125

Andre
Beatty
Bernier
Bird
Blenkarn
Bouchard (Roberval)
Brightwell
Cadieux
Cardiff
Chadwick
Charest
Clark (Yellowhead)
Clifford
Collins
Cooper
Côté
Danis
de Cotret
Desjardins
Dobbie
Dorin
Edwards
Fee
Fontaine
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Harvey (Chicoutimi)
Horning
Hughes
James
Johnson
Jourdenais
Koury
Langlois
Lewis
Lopez
MacDougall (Timiskaming)
Marin
Masse
McCreath
McDougall (St. Paul's)
Merrithew
Monteith
Oberle
Paproski
Reid
Ricard
Robitaille
Saint-Julien
Shields
Sobeski
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vankoughnet
Vincent
Wenman
Wilbee
Winegard

NAYS

Members

Allmand
Arseneault
Barrett
Bellemare

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Benjamin

Berger
Blackburn (Brant)
Boudria
Butland
Catterall
Comuzzi
Edmonston
Fontana
Fulton
Gaffney
Gérin
Harb
Holtmann
Hunter
Karpoff
Kristiansen
Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)
Lee
MacDonald (Dartmouth)
Marleau
McGuire
Milliken
Murphy
Nowlan
Nystrom
Peterson
Proud
Rideout
Robinson
Skelly (North Island—Powell River)
Speller
Stupich
Vanclief
Waddell
Whittaker

Black
Blaikie
Breaugh
Campbell (South West Nova)
Clancy
Duceppe
Fisher
Foster
Funk
Gauthier
Grey (Beaver River)
Harvard
Hovdebo
Jordan
Kindy
Langan (Mission—Coquitlam)
Laporte
Leblanc (Longueuil)
MacAulay
MacLellan
McCurdy
Mifflin
Mills
Nault
Nunziata
Pagtakhan
Plamondon
Prud'homme
Riis
Samson
Skelly (Comox—Alberni)
Stewart
Taylor
Venne
Wappel
Young (Acadie—Bathurst)—80

PAIRED MEMBERS

nil/aucun

[*Translation*]

The Acting Speaker (Mr. DeBlois): I declare the motion carried.

[*English*]

MEASURE TO AMEND

The House resumed from Monday, November 16 consideration of the motion of Mr. Blais that Bill C-91, an act to amend the Patent Act, to amend another act in consequence thereof and to provide for other related matters, be read the second time and referred to a legislative committee in the Departmental envelope.

The Acting Speaker (Mr. DeBlois): At the suspension of the debate, the hon. member for North Island—Powell River had nine minutes remaining in the debate.

Mr. Raymond Skelly (North Island—Powell River): Mr. Speaker, the debate continues on Bill C-91, which is legislation the Conservative government proposes to change the Patent Act, to permit international drug companies to maintain patents over their products for up to 20 years.

• (1110)

The New York Times in a recent article indicated that this was a tremendous coup for the drug companies which managed to insert in the North American trade agreement a provision that required Mexico and Canada to change the laws in those countries to prohibit the development of generic drugs in a timely manner. The provision now permits a 20 year patent on a product. In *The New York Times* article it estimated that by the end of the century it will cost $1 billion out of the pockets of Canadians for international drug companies.

It is ironic that a Conservative government, in its dying days, would produce for its friends a $1 billion gift in the next eight years. That $1 billion gift is going to come out of provincial pharmacare plans, plans which provide reasonably priced pharmaceuticals to senior citizens and low income Canadians. This Conservative government, in the dying days of its mandate, is going to take that $1 billion from Canadians and give it to Americans.

However, this is not the last movement of the international drug companies. The Canadian government health officials who recognize that they have been sold out or stabbed in the back by this Conservative government are going to attempt to set up a national formulary system which provides information on the cheapest possible alternatives on existing generics that can replace these high-priced brand name drugs. At the same time, the next target of the friends of this Conservative government—and I am sure we will see the bill before the House—is to stop the set-up and functioning of a national drug formulary to try and protect senior citizens until this outrageous piece of legislation can be abolished.

The paper quotes Gerald Mossinghoff, president of the Pharmaceutical Manufacturers Association in Washington, who states: "Members would like to eliminate Canada's government price controls. The American drug-makers also oppose drug formularies which are increasingly cutting into their profits in the United States as well as Canada". While there certainly is an obligation to move very quickly to set up those formularies to in turn protect Canadian citizens over this short period of time, there is also a critical obligation to get rid of this Conservative government, a government that would steal $1 billion from Canadians in the lowest income brackets and turn it over to the international drug companies.

It is an absolute embarrassment in Canada to watch the former Liberal cabinet minister strut back and forth across the country, Canada's chief dope pedlar if you will, putting in full-page ads selling the international brand name drugs. Take the last *Post* which was given to every member of Parliament and every physician across Canada. We get an idea of the current situation and how the companies are selling drugs. There is no information provided, just straight promotion and advertising to try to get physicians to prescribe and sell these high-priced products.

We ought to be moving in this House to immediately stop this kind of crap from being put in full-page articles in things like *The Medical Post*. It is an ironic thing that Maclean Hunter, a very honourable and long-time publishing company in Canada, can send around a rag like this, a rag that would make Lord Thomson smile in disbelief that somebody could exceed him in providing news that is simply there to separate the propaganda and advertising.

We should, through legislation, be abandoning the kind of advertising activity that the drug companies are doing in Canada. This is absolutely outrageous. In the current edition of *The Medical Post* there are 16 full pages of b.s. in that issue. Every physician in Canada gets it. It does not provide information about new drugs. It creates a dangerous situation where physicians are turned into individuals who simply convey these prescriptions through to people, often dangerous prescriptions. There has been mention of the research done by these drug companies in Canada. A good percentage of that research is simply undertaking testing that is required for marketing in the country. We would be getting that whether or not we passed this outrageous piece of legislation. They are required by law to do most of it.

The suggestion is that we should prohibit any promotional advertising by drug companies in newspapers or medical journals that does not provide absolute, clear, approved information. We are prepared to stop alcohol advertising. We are prepared to stop tobacco advertising. This is as dangerous to our health and it is as important to stop this as it is to stop those other products.

The government has imposed closure on this legislation today. This legislation is part of the North American trade agreement, an outrageous piece of sellout of Canadian people by the Mulroney government, locking us into an agreement, compromising sovereignty and putting us into a situation that is going to gut the Canadian economy.

One provision in there is to steal a billion dollars from senior citizens and low income Canadians through this outrageous piece of legislation that removes generic drugs. It allows these international drug company bandits to steal for 20 years from Canadians and to provide false information. We should be abolishing the right of those individuals to give away free samples to physicians to increase the production and distribution of these drugs, especially when there are cheaper ones available. We should be supporting a program for a national formulary to reduce the number of drugs we are putting on the Canadian market.

There is an excellent book by Michael Rachlis and Carol Kushner entitled *Second Opinion*. I recommend it to anyone. It basically states that most of the drug company research is not into new drug development that helps Canadians. It is into how to duplicate the effect with a different chemical that can be promoted in Canada. I sincerely recommend that book to everyone in the House and in the country. *Second Opinion* really gives an extremely good outline on how we are being totally hoodwinked by both the Mulroney government and the international drug companies on this important issue.

I see that time is drawing nigh. In summary, let us abolish the right of these dope pedlars to advertise and promote. Let us get rid of the ability to give away free samples and get rid of the ability to put this outrageous literature in the pseudo-newspapers and professional newspapers that are coming out. Let us get rid of Judy Erola, Canada's top dope pedlar, while we are at it.

Another thing that is absolutely critical is that we should be setting up a national formulary to help Canadians at least prevent some of the haemorrhaging away of the billion of dollars the Mulroney government has given to the international drug companies.

The last thing on the list is to have the Liberals clearly stand up and say they are going to abolish this legislation, along with the NDP. It is an outrageous piece of work.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I have a question and a short comment. The member mentioned the Conservative government. He also mentioned the North American free trade deal and tied the drug bill into that potential agreement.

Why does he think the government is persisting in policies rejected by a vast majority of Canadians, both in the drug deal and now with NAFTA?

I want to give him an example. On September 9, the Conservative government flatly rejected, as he knows, the New Democrats demand that the government ask the people of Canada whether or not they supported the new North American free trade deal.

I took the initiative, I will tell the member in the House, and I held a referendum in my own riding of Port Moody—Coquitlam. I asked my constituents: "Do you support Canada's participation in the North American free trade agreement with the U.S. and Mexico?" The response was overwhelming. In all my years as a member of Parliament, now going into my 14th year, I have never seen such a display of outrage. Within two weeks I had received 1,289 replies; 1,163 of my constituents said no to NAFTA while a mere 123 said yes, and 3 constituents wanted more information. That means 90.2 per cent of my constituents oppose Canada's participation in NAFTA and only 9.5 per cent support it.

• (1120)

In this survey my constituents clearly spoke out against NAFTA which is supported by the Conservative government and by the Liberal Party.

Why are the government and the Liberal Party not listening to the views of a vast majority of Canadians?

Mr. Milliken: That is a very silly question.

Mr. Skelly (North Island—Powell River): Mr. Speaker, my Liberal colleague down the way says that is a silly question. The important thing is that we have some documentary evidence before the House on how much Canadian people hate this government. The referendum went into the gutter as much as anything else because of absolute hatred. The proportions were outrageous.

When Canadians find out that this particular item, this business of the pharmaceutical deal between the international drug bandits and the Mulroney government, is in the North American trade agreement they are going to go crazy.

The other day we had the member for Winnipeg South standing up in this House and saying: "They are crying fire in the theatre and terrorizing pensioners". Crap, absolute crap.

Mr. Dick: Watch your language.

Mr. Skelly (North Island—Powell River): Watch my language. I cannot speak strongly enough to describe this heinous deal in the House.

Mr. Dick ought to be standing up here and apologizing to people in Canada. Outrageous.

Mr. Milliken: Watch your blood pressure.

Mr. Skelly (North Island—Powell River): Watch my blood pressure. As a matter of fact in the 24 pages of full–page ads on this garbage in the last *Post* we certainly see the national drug pedlars, Judy Erola, Canada's chief drug pedlar, out selling stuff, straight advertising promotion, nothing to do with the health of Canadians.

The key thing in this is that as part of the North American trade agreement people the of Canada are going to go crazy when they find out Mr. Mulroney has sold them out to the tune of a billion dollars.

It is acknowledged by health care economists on both sides that the drug companies have scored enormously. I do not know what Mr. Mulroney did with Bush out in the boat, but it certainly has a very serious impact for Canadians.

I want to finish by saying this is outrageous crap. The last *Post* and other documents that show this kind of propaganda should be got rid of right now.

The Acting Speaker (Mr. DeBlois): I would appreciate it if the hon. member would respect the rules of this House.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, that outrageous outburst by the member opposite just goes to show they are not particularly serious about the details of this bill, which is a very good bill for Canada, but instead are trying to score partisan points because they are looking forward to an election. I think the bill is too important for that.

Members of the NDP are always talking about the need for more jobs. They sound a bit like a broken record: jobs, jobs, jobs. This bill will create the kind of investment opportunity that will ensure there are jobs for Canadians.

The member opposite talked a lot about increases in a story in *The New York Times*. He surprises me because on the one hand he is telling us what a bunch of evil people, what an evil empire we have to the south of us in the United States, and on the other hand he quotes an American journal as if it were the gospel and as if it had all the answers Canadians do not have.

The facts are simple and perhaps the member would like to comment on them. The increase in the cost of purchases by pharmacies and hospitals of all prescription and behind the counter drugs due to the removal of compulsory licensing is predicted to be less than 0 per cent in the first year. This will gradually increase to 2 per cent by the year 2000. Those are the simple facts. Perhaps the hon. member would like to explain why he believes an American journal over what the federal government has to say.

Mr. Skelly (North Island—Powell River): Mr. Speaker, it is simple. It is either absolute stupidity or an attempt to carry on the lie that we have any kind of benefit from this. These people would have done it anyway.

Why did they allow this to go into the North American trade agreement? The Americans and the Canadian economists say we are going to lose a billion dollars in the next eight years. When she goes back to Winnipeg South she is going to be politically stoned for this. I think she was stoned when she came in and tried to argue the point of view.

Some hon. members: Order, order.

Mr. Shields: Mr. Speaker, I rise on a point of order. My friend who just sat down has done a number of things during his speech that I think he should be checked up on. First, he referred to "the Mulroney deal", knowing that he is not supposed to refer to the Prime Minister other than as the Prime Minister. Second, he referred to Paul Dick as Mr. Dick, and he knows he is not supposed to do that. Also he just accused an hon. member from this side of the House of being stoned.

I think that he should be taken to task for this kind of activity. It is not appropriate for this House of Commons and it is not appropriate for that gentleman, because I know he does not mean to be that kind of person in this House of Commons. I would ask that he respond and apologize to the House.

Mr. Skelly (North Island—Powell River): I realize there was a slight amount of exuberance in the anger of what happened here and if anyone has taken offence over there—

Mr. Harvard: Hyperbole.

Mr. Skelly (North Island—Powell River): Hyperbole, as the hon. member says.

If they would be prepared to remove this legislation, I would be prepared to recant some of the things I have said.

Mrs. Dobbie: That is not good enough.

Mr. Shields: Mr. Speaker, I know the gentleman to be an honourable man. I have known him for a number of years. I would just ask that he withdraw the remarks he has made about an hon. member on this side of the House. I think it is only courteous that he do that.

Mr. Fisher: Let the Speaker decide.

Mr. Skelly (North Island—Powell River): As my colleagues say, it was part of the thrust and parry of debate here. Her remarks were as outrageous.

Mr. Richardson: That is not debate. What do you know about debate, low life?

Mr. Skelly (North Island—Powell River): I understand some of the members here are a bit exercised, but maybe they can understand how exercised we are about the jackboot approach that is being used by the government and the outrageous nature of this legislation.

I would certainly be guided by Your Honour's remarks and coerced into doing what the Chair feels has to be done, but I do not think those remarks are anything as outrageous as what this government has done to the people of Canada. I am outraged by their attempt to stand in this House and justify this outrageous deal.

Mrs. Dobbie: Withdraw your remarks.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Immediately after the speech by the hon. member for North Island—Powell River, I said I would appreciate it if he would be more respectful of the Standing Orders, and I was referring to his tossing the advertisement up in the air and mentioning the Prime Minister by name.

I think both sides of the House are prepared to show a certain amount of good will at this point. The hon. member just said that he may have got carried away in the heat of the debate. I therefore consider the incident closed, and I again wish to ask hon. members on both sides of the House for their co-operation in maintaining the level of parliamentary decorum in this debate that is traditional in the House of Commons of Canada.

[*English*]

Mr. Edwards: Mr. Speaker, I rise on a point of order. I understand that you have declared the matter closed. I was on my way into the Chamber to intervene in this exchange when you rose to your feet. I apologize if I—

An hon. member: On a point of order—

The Acting Speaker (Mr. DeBlois): One moment, please. The hon. member has the floor.

Mr. Edwards: Thank you for your courtesy, Mr. Speaker. I would appreciate the opportunity to complete my point of order as other members have.

I had the opportunity to observe the recent exchange on the television monitor. I believe that what the hon. member opposite has done and has said is unparliamentary and inexcusable and that it must be unconditionally withdrawn.

Mr. Skelly (North Island—Powell River): I rise on a point of order, Mr. Speaker. I do in fact respect the rules of this House. If I have offended anyone, I certainly would withdraw the remark. Thank you.

The Acting Speaker (Mr. DeBlois): I appreciate the courtesy of the hon. member.

• (1130)

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, as I listened to the sanctimonious approach of the member for Powell River, I had to go back to what was going on in my own province.

He quoted Dr. Michael Rachlis in *Second Opinion* in his speech. I happen to be a strong believer and supporter of his. He is a constituent of mine. The members of the New Democratic Party should know that in the province of Ontario right now, the ministry of health has had many of Rachlis' recommendations before it for many months.

The member comes into this House and pretends to be so sanctimonious when in the province of Ontario his New Democratic partners are doing absolutely nothing. They are delisting medical services, they are delisting drugs to seniors, and they are making a sham of the medical system in the province of Ontario. He should make sure that when he is throwing darts across this House, whether it be our way or across that way, that he examines the performance of his own NDP government in the province of Ontario.

Mr. Stan Wilbee (Delta): Mr. Speaker, I appreciate the opportunity to speak on this very important amendment to the Patent Act.

My colleagues on this side of the House have made a very strong case for the balance of Bill C-91. The Minister of Consumer and Corporate Affairs in his September speech for one has shown how the legislation before us balances the needs of economic development with those of the consumers who require access to reasonably priced drugs.

For a relatively young agency, the Patented Medicine Prices Review Board has done a great job in keeping price increases for patented drugs below the rate of inflation. As I understand this legislation, the board will be given even tougher powers to better control both existing drug prices and the new drug prices.

I, too, would like to examine the balance of this legislation, but rather than focusing on the needs of producers and consumers, I would like to remind this House that the economic benefits of this legislation have already begun to tip the balance in favour of a broader distribution of research and development activity across our country. One of the first regions to benefit from this new balance will be my province of British Columbia.

The research community in British Columbia is well aware of the importance of this legislation that is before us today. Ever since the government first announced its intention to reform Canada's patent laws, we have received letters of support and encouragement from across the country and from British Columbia in particular.

Dr. Keith Dawson, for example, of the University of British Columbia maintained that patent protection is an essential feature to maintain Canada at the forefront of medical care, and I strongly endorse the extension of patent protection for pharmaceutical products.

His views were echoed by Dr. F. L. Ervin, of Pitt Meadows, B.C.: "I believe that it is essential to preserve the incentive for entrepreneurial development in this area", said Dr. Ervin. He added: "I believe that drug patent legislation which will give us a level playing field compared to other GATT countries will be the best way of ensuring our further growth and development in the research and development field".

Two doctors from New Westminster added their voices to this course of support for the proposed changes to the patent laws. Dr. R. A. Kuritzky wrote: "I am well aware of the enormous costs and efforts involved in the research and development to produce patented drugs, and I believe that your measure will promote the research and development of these drugs in Canada rather than abroad".

Dr. Kuritzky was joined by Dr. John Lien, also of New Westminster, who wrote: "It is high time for Canada to march in step with the rest of the world and afford patent protection that has some meaning for an industry that is prepared to invest in the immediate and future good of this country. Not only will we benefit directly from such a move, but the spin-offs of increased medical research funding and employment should also be recognized".

These British Columbians recognize the importance of patent protection in fostering an investment climate that will promote research and development. Each of them, I would venture to say, hopes that a good deal of that new investment will find its way into the laboratories and research facilities in British Columbia. This House is always aware that in exchange for improved patent protection in 1987, the Canadian pharmaceutical industry set a goal of increasing its investment in research and development from 4.9 per cent of sales revenue in 1987 to 8 per cent of sales by 1991 and 10 per cent by 1996.

When the patent laws were reformed in the last Parliament, the government received commitments from the patented medicine industry to invest $1.4 billion directly in research and development.

We know that the innovative drug companies have not only lived up to their commitments for increased R and D in Canada, but they have exceeded them. This was clear even after just one year. The Patented Medicine Prices Review Board reported that the industry research and development to sales ratio had increased to 6.1 per cent in 1988 from its level of 4.9 per cent just one year earlier. Brand name companies reported a total investment of $165.7 million in 1988.

In other words, these companies were living up to their commitments. They had promised that increased patent protection would mean new investment and new jobs, and it was clear right from the time of the first report of the board that this was an accurate assessment. That trend of increased R and D by the innovative drug companies continues. The fourth report of the Patented Medicine Prices Review Board was tabled last June and covers the period ending December 31, 1991.

The report points out that for the 64 firms with patents filed with the board, the ratio of research and development and expenditures to sales reached 9.6 per cent in 1991. In other words, in 1991, after just four years of improved patent protection, these companies were on the verge of reaching the 10 per cent target originally set for 1996.

Total expenditures on R and D for these companies reached $376.4 million in 1991. That is an increase of over 23 per cent from the year before. These figures present an excellent case for the effectiveness of patent protection in encouraging innovative companies to conduct their research and development in Canada.

It is no secret that the majority of pharmaceutical companies is now located in Ontario and Quebec. For many years R and D investment by drug companies has meant new research money for central Canada. Seldom has it meant new research opportunities for the east and the west. That began to change with the introduction of new patent laws in 1987. The amount of R and D spent by innovative companies in western Canada from 1988 to 1991 amounted to some $84 million.

Let me put that into perspective. That amount is more than twice the amount the generic drug sector invested in all of Canada over the same period. What can we expect from this new phase of patent reform? Since the government announced its intention to improve patent protection through the legislation before us today, the innovative companies have announced projects amounting to more that $500 million. Those are investments over and above the previous commitments and of those investments, projects totalling $90 million will be located outside central Canada.

What we are witnessing is a decision by the pharmaceutical industry to expand its base beyond Quebec and Ontario. The new investment outside central Canada has not come by accident. The Government of Canada has conscientiously sought to encourage innovative companies to diversify the location of their activities in Canada.

In fact, Industry, Science and Technology Canada is working with a number of provinces to build investment strategies in the pharmaceutical sector. We will find new ways to encourage more R and D and pharmaceutical manufacturing in all regions of Canada.

Already the innovative pharmaceutical companies are acting upon the prospect of new patent protection that will place Canada more in line with the protection granted by other countries. British Columbia will be one of the first provinces to benefit.

Just last July Bristol–Myers Squibb announced it would invest $500,000 in research and development at the University of British Columbia and another $250,000 in R and D at the University of Alberta.

• (1140)

On September 1, Merck Frosst announced the investment of $15 million over five years in research and development activities to be conducted on the west coast.

In early October of this year, Ayerst announced a $60 million investment for a new plant in Brandon, Manitoba, and Glaxo pledged $15 million for the basic R and D at the University of Alberta.

As you can see, it is not only central Canada that will benefit from this patent protection, but all of Canada. By encouraging the pharmaceutical industry to do its research in Canada, we help build an infrastructure that will attract more investments down the road.

We help attract, train and retain researchers, technologists and technicians who will begin to provide a critical mass of expertise in science and technology.

Merck Frosst has contributed substantially to making the Montreal area a world-class centre of excellence. Now the company would like to do the same thing for British Columbia.

In acknowledging the important role that Merck Frosst will assume in helping to develop a healthy R and D sector in B.C., I would also like to pay tribute to a man whose vision has been instrumental in encouraging the company to invest on the west coast.

David Strangway, president of the University of British Columbia, has been untiring in his efforts to solicit R and D investment for his university.

Last January when the Government of Canada announced its intention to reform patent protection in order to attract new investment, Mr. Strangway contacted virtually every pharmaceutical company in Canada to seek research commitments.

Merck Frosst responded with a commitment of $15 million over five years. This represents about a quarter of Merck Frosst spending in support of research outside the company. The R and D contracted outside the company is in addition to an in-house research budget of between $35 million and $40 million a year.

The investment will be directed primarily to research and development in genetic disorders and will build upon Vancouver's acknowledged strength as a research centre in this field.

Researchers at the University of British Columbia in the biomedical research centre of Vancouver are among the 23 principal investigators working in 12 different universities in research facilities across the country as part of the Canadian genetic disease network.

This is one of the research networks sponsored under the Government of Canada's $240 million network of centres of excellence program. It has already announced remarkable breakthroughs in isolating the genetic defects responsible for cystic fibrosis, muscular dystrophy and myotonic dystrophy.

The work of the generic diseases network has advanced the search for cures for these crippling diseases, and scientists in Vancouver, such as Dr. Michael Hayden, will continue to explore new trails in genetic research.

By the way, Dr. Hayden's name has been brought forward as the eminent researcher who will operate the proposed new facility that will grow from the Merck Frosst investment. The facility will likely create 10 new faculty positions at UBC.

These faculty positions represent a tremendous opportunity for researchers in Canada who want to become involved in leading-edge R and D in one of the most exciting areas of science and technology. British Columbia, well-known for its forest and mineral wealth, is well on the way to becoming a world-renowned centre for genetics research.

What will it take for Merck Frosst to go through with its proposal to invest $15 million in genetics research in British Columbia? Most important, Merck Frosst requires the added patent protection that is contained in this bill before us today if it is to go ahead with its investment proposal.

I know that hon. members from both sides of this House support the principle of increased R and D. I know that hon. members from every region of the country will applaud a decision that will help add the University of British Columbia to the growing list of Canadian centres of excellence in pharmaceuticals research and development.

I would ask all of hon. members to help make sure that this project goes through. How can they help?

By providing adequate patent protection so that the company that is willing to make these costly investments in R and D will be able to reap the benefits through patent protection that lasts for a full 20-year term.

The legislation before us means new opportunities for researchers across Canada. It means the beginning of a new world class research facility at the University of British Columbia. It means more research investment that will help create balance among the regions of Canada in the effort of all provinces to retool their economies for the demands of the information age.

I urge members of all parties to support its speedy passage.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, the hon. member is fairly knowledgeable on this subject and has spent some time discussing it with people of the faculty of the University of British Columbia.

I want to tell him that in a visit to UBC a week and a half ago I did the same thing. I had a discussion with Dr. Bernard Bressler, who is knowledgeable in this field. It explained part of the reason why he and the members of the faculty of UBC sought passage of this bill. He mentioned the same $15 million grant that was available for research purposes at UBC as part of the reason for his support of this legislation.

What I would like to ask the hon. member to do is take the House into his confidence. He must have approached the Minister of Consumer and Corporate Affairs and perhaps his colleague the Minister of National Health and Welfare to see how much Canadians are going to pay for this research.

I think this is a fair question, and I would like to hear his answer to it. How much are the Canadian taxpayers going to pay in order to get this research in Canada? He is asking Canadian taxpayers to fork over another $800 million during the next six years in order to fund a few million in research.

I would like to know how many dollars are going to be spent. Perhaps he can also tell us how much more is going into the obscene profits already being made by the international drug companies—

An hon. member: The biggest profits in the world.

Mr. Milliken: The hon. member says they have the biggest profits in the world. Friends of mine who are unbiased observers of this call these profits obscene.

How much of the additional $800 million that is going to be taken out of the pockets of the Canadian taxpayer is going to that source?

I agree that research and development is very important. I concede that point, but Canadian taxpayers are really the ones who are going to fund this research if we change the law to allow this.

The hon. member knows the government has already changed the law once in a way that is very favourable to these drug companies. Now it is proposing to change the law again and hand over a few hundred million dollars more to these drug companies.

I want to to know how much Canadian taxpayers are going to pay for this research. How many dollars of taxes are going to be collected from every taxpayer in Canada for every dollar of research spent? Can the hon. member give us that figure?

Mr. Wilbee: Mr. Speaker, that is a very reasonable question and certainly I considered it myself.

First of all, I do not really agree with his number of $800 million. There has never been any basic research as to where that would actually come from. Like so many statistical studies, you can prove whatever you really want to from this type of thing. We can pick a number out of the air. We can neglect to include other factors such as what would the actual cost be without inflation, with inflation and what are the actual drug costs going to be even if this research is not done.

We cannot say that all the money is going to be put into research and will be taken directly off. In drug prices, as the hon. member probably knows, there is very little relationship between actual cost and what is charged. This is one of the facts of the industry. There are many different factors that are involved in drug prices.

For example, just the other day on the news there was a report where a criminal in the United States had sued the makers of halcion for approximately $1.5 million because he committed a horrendous crime after taking a halcion tablet. The drug company was expected to pay this penalty because somebody had abused its product. All over this continent people are suing the drug houses for exorbitant amounts. Also, the drug approval system we require is fantastically expensive.

• (1150)

I believe it is unrealistic to say that because we give three extra years of patent it is going to cost $800 million. We already have 17 years. As I have said, those figures may be used, but someone else on this side of the House may come up with an entirely different set of figures they can justify in the same way.

Certainly there is going to be some cost. I do not think anybody denies that. This $15 million being spent at UBC does not take into account all the other hundreds of millions of dollars that are going to be spent, the jobs that are going to be provided or the research that will stay at home. If this research is not going to be done in Canada, it is still has to be done somewhere. My feeling is that we should do it in Canada rather than in the United States or elsewhere.

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, I appreciate the opportunity to comment. I disagree with what the hon. member for Delta is saying. I remember when drug prices were reasonable and accessible to individuals. I do not know whether the member still practises or not, but if he goes to a drug store now and compares the prices with what they were just after we passed the last bill on pharmaceuticals in 1987, he will see that it allowed prices to skyrocket.

This bill is going to cost Canadian taxpayers maybe $400 million or $800 million. Perhaps if that money went into research and development in Canada we could accept that. But it will not stay here. It will go to international drug companies. It will not stay in Canada. We might get 5 per cent of it. His university in British Columbia might get a little bit of money but millions and millions of dollars will go to international drug companies in Switzerland, France, Britain and all over the world. That money is not going to stay here.

I ask him as a physician, did he notice that since we passed the last pharmaceutical act in 1987 that prices have increased tremendously? I wonder if he agrees with me on that?

Mr. Wilbee: Mr. Speaker, this is again a very critical thing. My hon. colleague will recognize that the increase in the cost of the medication which he buys across the counter, cold remedies or antihistamines or antacids or anything like that has gone up far more in that period than the cost of prescription drugs. He will also find that the cost of drugs which were on the market in 1987 have not gone up more than 2.6 per cent a year. It is the new medications coming on to the market where there is a large increase.

As I mentioned earlier, there are a lot of causes. The drug approval system takes a lot longer and is a lot tighter. It requires far more studies than in the past and a lot of duplication. We could do a lot in this area to assist in reducing the cost of pharmaceuticals to the companies. I think statistics will show that the cost of patent medications have not increased as much as other medications available on the market.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I am pleased to wade into this debate on this very important legislation. It is important because at this time in Canadian history we may be giving up the one single intellectual property mechanism that makes sense. We do it one way in Canada, the world does it another way. They have demanded that we give it up and this government has said yes, we will.

Today this country is in a recession that is bleeding us with unemployment, bleeding us with bankruptcies, bleeding up with red ink, shrinkage, no growth. I find it strange that at this particular point in this year the government has chosen this time to push, even using time allocation in this House, this legislation that gives increased patent protection to those who have already got it. We are not talking here about little guys; we are talking about international drug companies. I find the timing is curious. It is unfortunate.

This bill proposes that Canada give up its system of what is called compulsory licensing. That system provides patent protection for the inventor of a drug for a period of seven to ten years, depending on how you measure the start date, when the drug is first marketed in Canada.

The rest of the law on intellectual property and patents in Canada, outside of the pharmaceutical area, runs on a 17-year rule, 17 years of protection.

We found reason in this country 25 years ago to depart from that intellectual property regime. We found a good socially beneficial reason to depart from 17 years of protection, and that reason involved the public interest and the need of individual Canadians to access pharmaceuticals at reasonable prices within a reasonable period. We found that generic drug manufacturers which were able to take compulsory licences were able to produce drugs at lower prices. I could say much lower; it will vary from drug to drug. In any event, we took that step and now this government is proposing that we walk away from it.

That compulsory licensing regime gave those pharmaceutical companies, the inventors, seven years of exclusivity and seven years without competition, seven years of monopoly, seven years of setting the price for their drug at whatever they wanted to set it at.

We figured that was fair because they invented the drug, they spent the money to research it, they spent the money to market and develop it, and they needed a return on their product.

Canada's system, made in Canada, not like anywhere else in the world, decided that instead of 17 years of monopoly and exclusivity, they should have seven. Now we want to walk away from that.

That price competition benefited all Canadians. I will refer to other things later in my remarks that would corroborate that.

Another thing that the compulsory licensing system did was foster the growth of an indigenous Canadian pharmaceutical industry. We have in this country examples of companies, indigenously Canadian, which have prospered using compulsory licences.

The other thing that compulsory licensing did was that indirectly it actually rode shotgun on price increases in the industry. For those who had a patent, the fact that there was a compulsory licence taken out by what we call the generic manufacturer had the direct effect of limiting the price increase on the patented drug. Because the company that held the patent knew that if they increased the price, as was their right because they had a monopoly, beyond a certain level the generic manufacturer would jump in with the compulsory licence and manufacture the drug at a lower cost. That was an indirect result of our compulsory licensing that benefited all Canadians. It was the Canadian approach but the world did it differently.

• (1200)

Based on a world-wide system, actually a mix and match, some countries in the western world subscribed to the 17 years of protection, the same kind of protection that the inventor of a new steel process or a new automobile engine would have. Other countries said to heck with it, they will not give anybody protection. They will simply take that steel process or that pharmaceutical and make it and will not give any royalties. They will not protect the patent. It was a bit of a mess.

However, since the last war the world has been consolidating in its rules in international trade and under the Uruguay round of GATT there was a commitment made I think by all of the member countries of GATT to provide uniform patent protection.

Canada then began to embark on this road of making our laws and the laws of all the other countries uniform. I simply ask the question now of whose system was better, Canada's or the 17 years of protection in the rest of the world, the 17 years of monopoly for pharmaceuticals? I do not have an answer to that, but I suspect that the Canadian system in comparison was really quite good. It served Canadians well for almost 25 years. We are going to walk away from it because the rest of the world, the big players, the multinationals, including the U.S., Swiss, French, English and German pharmaceutical companies, have all decided that Canada must join the club and use their rules, the 17 years of protection. I simply leave that question out there. Canadians know that they have benefited from the Canadian system.

Why does the rest of the world not change its rules to reflect some of the benefits and positive aspects of the Canadian system? The reason is that there are things called power and money. Those at the helm who hold the patent protection and who influence governments around the world a great deal, and we all recognize that, and who influence this government and past governments in Canada and all the others they influence have said that they want the 17 years and they are not prepared to let Canada or any other country outside the club continue in that approach.

We are now at a point at which we are going to give up all that we built in Canada in relation to pharmaceutical patents.

Last December, our Minister for International Trade met in Europe with the GATT countries and, as I understand it, without any authority from this House agreed that Canada would change its patent law, the stuff I have been talking about, effective December 20, 1991. That would be the day that Canada would give up its system. Our minister apparently agreed to that date without, as I say, any authority from this House and without checking with Canadians. That is the date that has been inserted in this bill. Retroactively, that is the date that our minister, the minister of this government, decided without authority that he would impose on

Canadians and on the Canadian pharmaceutical industry. That is wrong.

I accept that there is a challenge here for Canada. Canada has to find a way to weave through the whole of the western world and a lot of the developing world that has adopted the 17 year rule. There is a challenge for us to make the world system right because I do not think it necessarily is right. I think it has flaws.

Should our Canadian law give an unrestricted monopoly to pharmaceutical patent holders for 17 years, recognizing that pharmaceuticals are a major and growing component of our health care system?

Our health care system is not a private sector driven commodity. We have recognized that in Canada. In relation to pharmaceuticals, we are about to walk away from our window here in Canada.

One of the suggestions to date which has been used in Canada, I do not know about other countries, is what is called a formulary. The government or the health care system generates a list of drugs that provide the most benefit at the lowest cost and it is out of the formulary that health care systems should see that drugs are prescribed. That is one mechanism to counter the monopoly of the pharmaceutical industries in which they do have a patent. If there is time I can address that later.

I have six separate concerns about what this bill does not do. The first is that it may pretend to but it does not address the issue of fairer drug prices from the perspective of both the producer and the consumer. It simply does not do that.

From the producer/manufacturer side, any student of business will know there are a certain number of concerns. The manufacturer wants to manufacture at the lowest cost he possibly can, but what incentive is there for the manufacturer to manufacture at a low cost if he has a monopoly? There is no downward price pressure. There is no competition.

The pharmaceutical company is simply going to pick the best price it can get. It will look for volume. If it prices it too high perhaps people will not buy it.

If there is a health care system paying for it, a health care system that you and I have to pay for, then maybe it will raise the price a bit higher because it is not coming directly out of the consumer's pocket.

The companies have to market their drug. Perhaps they have to research it continually, modify it over time, then they want their profit. They want a return that is fair, legitimate and a necessary part of our business environment. Keep in mind it is a monopoly marketplace when you have a patent on a pharmaceutical.

What about the consumer in all of this? We have had a lot of information put to the House over the last while I recall yesterday and today the member for Winnipeg South saying that the price increase in the first year would be less than zero per cent. I think she probably meant zero per cent and in the second year it would be 2 per cent.

We have to be honest about this. Even 2 per cent is a lot of money because we are dealing with a multibillion dollar industry here. That particular member suggests there is only a modest increase in price. Yesterday's article in *The New York Times*, which has been referred to, says clearly that the change is expected to cost Canadians about $400 million annually, a 12 per cent increase in spending on drugs.

The added cost would go to about $800 million by the late 1990s. That is a lot of money and that is coming out of the pockets of Canadians either directly or through their taxes to fund the health care system.

If 2 per cent means $200 million or $300 million then let us admit it. That is what it is going to cost in increased pricing. What do we get for the increased pricing? It is a windfall for these companies. They are saying that when the additional money comes in it will be reinvested in research and in marketing and in all of the other things. It will also be siphoned off into profit as perhaps it should be. Profit is not a bad word. What is the Canadian taxpayer getting in return for his $200 million or $300 million per year?

I think I read, and I stand corrected if I am wrong, that by the late 1990s, officials of the government admitted yesterday, it would be in the vicinity of $500 million in increased drug cost. That is half a billion dollars. That is a lot of toast no matter how you measure it.

• (1210)

On this issue of fair drug prices it is also recognized that Canada has one of the lowest cost structures for pharmaceuticals in the world. This article which I have already quoted says Canada's success with delivering drugs that cost lower than those in the United States is

an important feature of its medical system which has been a model for many health policy experts seeking to contain soaring costs in the United States.

It also says the shorter period of patent protection has helped keep prices of drugs 32 per cent lower in Canada on average than in the United States.

We are talking about the same companies, the same manufacturers subject to the generic indigenous industry in Canada and yet our drug prices are 32 per cent lower. How did that ever happen? It was not the good will of the drug manufacturers that made that happen, it was the compulsory licensing system.

An hon. member: It was not because of the Tories either.

Mr. Lee: Let us take a look at the U.S. experience in this recession in drug prices. Our pharmaceutical price monitoring board attempts to monitor prices in drugs. Look at the U.S. experience in this previous year of recession. You would think that drug prices would be moderated, that all prices would be moderated. That did not happen, even in the United States.

Drug prices in the United States at the retail and the wholesale levels rose at double the rate of inflation in both cases: in the retail side, in the 12 months ending October, a 6.3 per cent increase in retail drug prices in the U.S. compared with a 3.2 per cent increase in the Consumer Price Index. That is a doubling.

In the wholesale area they went up 5.4 per cent compared with 1.7 per cent in the general producer price index. There is something happening out there that the consumer does not have any control over because if the recession did not keep the price down then the marketplace sure as heck did not and the consumer is helpless in the face of that kind of increase. That was in a year of recession.

What happens when we have a good year, when there is a monopoly, when there is no restriction on the price of the drug, either the old drug that is still patented or the new drug that enters the market?

Away from price competition there are still several other areas I wanted to mention. One of them, pharmaceuticals, as I have already said, is an integral part of the medical system in Canada. This bill fails to recognize that. A compulsory licensing system in Canada has permitted a generic indigenous Canadian pharmaceutical industry to develop and begin to prosper. This bill does not recognize that.

Currently in Canada there is no control over entry level drug pricing. This bill does not recognize that. I have already mentioned the retroactivity in this bill going back to the Dunkel agreement of December 20, 1991. That is unacceptable.

I want to wrap up by saying that the drug manufacturing companies are not evil villains. They produce a product that is integral to our health care system. We can do with drugs today what in some cases used to take two or three days in a hospital and that saves us a lot of money. There is a big future for the world, for the evolution of the human species, all involved in this pharmaceutical area. We have to treat the players in the industry with respect and they have to treat the consumers with respect and I think they have to hold out some mechanism for us to monitor those prices.

In Scarborough there are large generic manufacturers, large international drug companies. All of them are ready to go with more investment. If this bill passes some of them say they are ready to invest, but the money that will be used for that reinvestment will come out of the price increases that Canadians will be allowing if this bill goes through.

At this point I have to stay opposed to this bill.

[*Translation*]

Mr. Nic Leblanc (Longueuil): Mr. Speaker, in 1987 I took part in the debate on Bill C–22. Back then, of course, I agreed with the government. I was on the government side at the time, and we realized that the policy of the Liberals—the Liberal member made a reference just now—had been more or less to deregulate drug patents by granting them only seven years of protection. We found that in the Montreal area, for instance, tens of thousands of jobs in medical research had been lost. Whole buildings had became vacant in the western part of Montreal It was clear that the Liberals' policy was entirely unacceptable.

As far as medical research is concerned, we in the north need special vaccines and drugs, and we need people who can do the research we need to deal with health problems that are specific to the north. For investment in research to be worth while, companies must have enough time to make good on their investment.

That is why I agree with Bill C-91 before the House today. I disagree with the Liberal member who just said that generic drugs were cheaper because even at the time we saw that prices of all pharmaceutical products increased at about the same rate.

As for manufacturing inside or outside the country, I would like to see the medical drugs that are specific to our needs manufactured inside Canada.

From these comments it should be clear that I will vote in favour of the bill. I disagree with the Liberal member who just spoke because the legislation his party adopted at the time scared off investors in the pharmaceutical industry and as a result, our university-trained researchers and experts had to go and do their research in the United States or elsewhere. We spend a lot of money training our young people to do research, but we do not give them a chance to do research in this country.

Mr. Speaker, these are all reasons why I intend to vote in favour of Bill C-91.

[*English*]

Mr. Lee: Mr. Speaker, I accept the suggestion that if more money is ploughed into the pharmaceutical industry, the pharmaceutical industry will use a portion of that money for research. No one would question that, but there is a ton of more money going into the industry and not every dollar of it is being used for research.

I said in my remarks that generic drugs were cheaper. I stand by that. I have also cited the statistic that under the Canadian system the prices of drugs are 32 per cent cheaper in Canada than in the United States. I did not say that drug prices did not increase. Of course prices will increase from time to time, whether it is a generic drug or a drug manufactured by a multinational or a PMAC company.

I do not think the hon. member has caught the drift of my remarks. I accept that there will be more research, but at what cost? How much more research are we going to get and at what cost? Is he suggesting that all of the additional half billion dollars that is to be spent by Canadian consumers as a direct result of this bill will go back into research? I do not think he is saying that.

I am pleased to see more research. I want to do whatever I can, as I am sure all Canadians do, to encourage increased research in Canada at all levels, not just with regard to pharmaceuticals. The real issue is at what cost and so far there is no tag, no string, nothing put on the additional money Canadian consumers will pay as a result of this patent bill.

• (1220)

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I want to comment on some of the points made by my hon. friend across the way.

First I will correct what he quoted me as saying. Yesterday I said that the first year the price increases would be zero and would gradually increase to less than 2 per cent by the year 2000.

Let me remind my hon. friend what was actually said in the report he was quoting from the newspaper with regard to the price differential between U.S. and Canadian drugs. It says:

> The major source of U.S.-Canadian differences in drug prices is not variations in manufacturers' cost. This holds true regardless of whether cost differences relate to research and development, marketing, production or distribution.
>
> Instead, government regulations and reimbursement practices contribute to lower average drug prices in Canada. In setting prices, manufacturers of patented drugs must conform to Canadian federal regulations that review prices for newly released drugs and restrain price increases from existing drugs.
>
> Furthermore, drug benefit plans run by provincial governments act to constrain manufacturers' discretion in price setting. Through the plans' reimbursement and their enrollees' drug purchases, the provinces exercise concentrated buying power to obtain low prices.
>
> In addition, provincial officials can remove drugs from their list of reimbursable drugs if the manufacturers' proposed price increases are considered to be too high.

When my hon. friend talks about price increases, he clearly overlooks the fact that we have the prices review board in place. We have had it in place since 1987, and it continues to be in place with the enactment of Bill C-91.

Its powers will be enhanced under this legislation. It will have the same authority as would a court. It can roll back prices. It can impose fines. It can even send people to jail if they price the drugs higher than the agreed upon system that will regulate those prices.

The fear that is being raised by some members of the opposition, not by my hon. friend particularly, that somehow there will be a huge price increase and the report in *The New York Times* are issues based upon less than factual information. They do not take into consideration the fact that we will have the PMPRB with enhanced authorities and enhanced abilities to ensure that drug prices are kept in line.

The information that the government has put forward is based on the understanding that the PMPRB will have these authorities and that we will have the ability to continue to regulate drug prices in the same way as we have in the past.

Mr. Lee: Mr. Speaker, if I let the hon. member have it her way, she would say that the price increases are to be so modest as to be negligible and let us not worry about it. Then I would ask her: Where are the millions and millions of dollars that the pharmaceutical companies have promised, and in fact are blackmailing us with, for new investment and research and development going to come from?

They are not going to come from the goodwill of the companies. They are going to come from the price increases. There is only one source; it is from price increases. If we have $500 million going back out in reinvestment, which we are not going to have, then we need to have $500 million coming in the front end.

There is only one place that supplies money for the front end, and that is the Canadian consumer or the drug plans. It is all coming out of our pockets. If it is $500 million in, it is going to be some hundred million dollars out, but a chunk of that is going to go to profit. It is going to go to marketing. We are simply adding more gasoline to the engine. That is what we are doing.

Maybe some people think that is great, but when we are paying for the gas we have to question its efficiency and we have to question its appropriateness. In this case the government is simply not measuring accurately.

I do not know who has the right figures. All I know is that there are a whole lot of promises from a whole lot of companies made contingent on the passage of this bill and they are only going to happen because the prices go up. We know who is going to pay the prices and I leave at that.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I listened with a great deal of intent to the previous speaker. I guess I am left a little puzzled. I cannot tell whether he supports the bill or opposes it. I do not know why I should be puzzled because that is the position of the Liberal Party.

I would like him to comment on two matters. This bill was a direct result of NAFTA. Does he and the Liberal Party oppose NAFTA? Does he and the Liberal Party agree that they have to cancel the North American free trade deal which is the result of Bill C-22?

How does he justify or reconcile his position with that of the member for Saint-Henri—Westmount, the Liberal critic on science and technology, who supports the extension of patent protection to the multinational drug companies?

Mr. Lee: I will be clear for the hon. member. I am not supporting this bill, but I know what would make me support it. I would support a PMPRB, a prices review board that had some teeth and could deal with entry level pricing as well as price increases of existing drugs. I would support it if it did not have retroactivity agreed to by a minister who did not have authority to agree to it—that is another thing—and if there were commitments or monitoring mechanisms within the bill to ensure that additional money put into the system was invested back into Canada for research and development and marketing. I would support it if those things were there, but they are not there.

Taking away compulsory licensing with nothing in return leaves Canadians with zero and in the hole. I do not support this bill.

Mr. Karpoff: You support the principle then.

[*Translation*]

Mr. Vincent Della Noce (Parliamentary Secretary to Secretary of State of Canada and to Minister of Multiculturalism and Citizenship): Mr. Speaker, I would first of all like to say that I too was in favour of Bill C-22 and I must rise in this House to speak for Bill C-91. After all I have heard here, especially when I see my Liberal colleague opposite give figures, I really wonder whether he even knows where he lives, with all the figures he just gave that are completely wrong.

Mr. Speaker, Bill C-91 is designed to encourage science and technology, to promote greater experience on the markets and to help our researchers meet the challenges which arise—

[*English*]

Mr. Lee: Mr. Speaker, this borders on privilege. Lest we get off on the wrong foot here, I know the member has laid the groundwork for his speech but I would not want him to leave the impression that I had given false figures, false information, to the House. If he is saying I did that then I want him to withdraw it. If he is saying he takes issue and differs with the figures I have used, that is one thing; but the way he has said it may leave the impression—and I hope he will clarify it—that I have delivered false information to the House.

[*Translation*]

Mr. Della Noce: Mr. Speaker, I hope that you will not take from me the time that the member spoke, but I must say that my hon. Liberal colleague has the wrong figures.

As I was saying before I was interrupted, our researchers must meet the challenges that arise in the international markets. Better patent protection will help us reach our objectives sooner and more effectively.

In our country, we have all it takes to be a leader in pharmaceutical research. Our medical profession is known for its excellence. Names like Banting, Penfield, Pinel and Selye have made us world famous. Our health care system is also the envy of the whole world.

Being from Laval, I personally knew Armand Frappier, who invented the first penicillin vaccine.

We also have a skilled labour force. Our tax credits are among the most generous in the world. But we lack something essential, namely protection for intellectual property to match the protection offered by other industrialized countries, patent legislation that would let us be competitive in R and D investments.

Since 1984, the government has attached high priority to reforming Canada's intellectual property legislation. It is part of our efforts for economic renewal.

• (1230)

Nevertheless, the government has continually had to fight to update, simplify and, I would even say, standardize these laws. The complaints expressed by the hon. members of the opposition do not surprise me at all. I remember that we had many difficulties with Bill C-22 that were often due to partisan politics. Through all these years, they have done all they could to compromise the progress we wanted to achieve.

I heard opposition members say that the government was rushing through second reading. They seem to forget that we are talking about an investment of some $500 million. Innovative drug companies have said that they would invest such amounts after they heard the government say last January that it would strengthen patent protection for pharmaceutical products.

The investments that I am talking about here are of prime importance at a time when the pharmaceutical industry is restructuring world-wide. Make no mistake: many other countries would want to benefit from such investments. If Canada does not act quickly enough, the door that is open to us may close again, forever.

I represent Laval-Est, a riding in the city of Laval, and this bill will help us do wonderful things, which have already begun thanks to Bill C-22. You no doubt know that in our riding we have companies like Bio-Mega, Marion-Merrell, which has been bought by Merrell Dow Pharmaceuticals Inc., formerly Nordic Laboratories Inc. We also have Biochem Pharma Inc. I recently heard its president, Mr. Bellini, a wonderful man, not because he has an Italian name but because he has made quite substantial investments in Biochem in Laval. By the way, Biochem has the rights for a drug to treat AIDS called 3TC, which was developed by a Quebec researcher, Dr. Bernard Belleau of McGill University in Montreal. This vaccine will be a Quebec product and the research and manufacturing will be done in our riding, in Laval, Quebec.

If these laws can help these people to invest but, as my opposition colleague just said, prices rose, I would not agree. When prices did not rise, they said it was due to the recession. If prices had risen, it would have been someone else's fault. It is always someone's fault. For now, the price has not gone up—it must be due to the

recession. Personally, I think that even without the recession, prices would have stayed in line.

Bill C-91 also encourages companies to make drugs here in Canada for a North American and international market. It is very interesting to see how fast the investments are made.

I remember the debate on Bill C-22. We had demonstrations here on the Hill where unions, businessmen and all investors were on our side. Rarely is the government seen outside and photographed protesting with union people, but it happened with Bill C-22.

It happened. I would like to remind this House that the opposition has the very unenviable reputation of having delayed the patent reform beyond any reasonable deadline. In the last session, the opposition used every obstruction tactic imaginable in an effort to prevent or postpone the passage of this bill.

Remember that this bill passed first reading in the House on November 7, 1986. The Liberals and New Democrats, our colleagues opposite, obstructed the bill so much that it did not reach the other place until May 6, 1987, a delay of almost seven months. Then the ping-pong game began, as you may recall, the most incredible in all of Canada's parliamentary history. It acquainted us government members with the Senate because every evening we spent a few hours there watching the ping-pong game, the shouting matches, the vulgar language being used by those debating Bill C-22.

A month before they received the legislation, the senators created a special committee with a mandate to examine the prices of pharmaceutical products. The Liberal majority in the committee and the Senate managed to get amendments to Bill C-22 adopted by the Senate, and the bill was sent back to the House of Commons.

On September 1, 1987, we adopted a motion rejecting most of the amendments proposed by the Senate. Two days later, the Senate referred our motion to the Standing Committee on Banking, Trade and Commerce. On October 21, the committee tabled its report. Again, the Liberal majority favoured amendments that were likely to upset the balance of the legislation and jeopardize its strong points.

Again, we rejected the proposals, and the bill came back to us a third time. This was November 19, 1987. Today is November 17. Two days from now it will again be November 19.

One year and 12 days after being tabled in the other place, Bill C-22 was passed and finally received Royal Assent. I remember the mood in Quebec at the time. I remember people who had investments which had to be postponed because of the bill. Postponing investments means people have to wait that much longer for a job or to invest for their company.

My point is that we can no longer afford this kind of foolishness. It is imperative to adopt this bill as soon as possible.

What bothers me is that some of the arguments I heard today are similar to what was said in the Senate when that body tried to jeopardize the government's legislation. Nothing has changed. They are using figures to scare the public. We hear all kinds of arguments. Anything goes, and the people listening wonder who is right.

As in 1987, the Liberals maintain that amendments to the Patent Act will raise the price of drugs. We have heard this argument before, and we will hear it again. At this point, I would like to quote Liberal Senator Norbert Thériault. Listen to what he had to say. It is really extraordinary. "By removing the competitive element provided by generic drugs in the industry, Bill C-22 will undoubtedly result in a huge price increase." *Debates of the Senate*, June 25, 1987, at page 1403. Another Liberal, Senator Lorne Bonnell, stated that we were encouraging research by the multinationals—we heard this again today—at the expense of Canadians, who would have to pay more for their drugs. To quote Mr. Bonnell: "For goodness sake, don't take it off the backs of the sick, the hospitalized, the infirm, and the aged by increasing drug prices". *Debates of the Senate*, August 13, 1987, page 1744.

He also said that the Canadian industry would suffer the negative impact of this bill, in terms that would have made my grandmother tremble. We heard this again today. I do not know whether anyone mentioned his grandmother, but mine is still alive. She is 98, and Bill C-91 certainly does not bother her at all.

He said: "When they pass Bill C-22, I ask them not to forget that they are hurting not only the sick, the aged, the crippled and the poor, and provincial governments". That is really too bad because the provincial governments asked us to pass this bill as soon as possible. "They are also hurting the agriculture and fisheries industries because of the cost of drugs in chemicals."

Similarly, Liberal Senator Buckwold raised the spectre of fear—which they are doing again today—by claiming that the legislation would hurt Canadians because it would increase the price of drugs. This is what he said.

• (1240)

"In my opinion, if we pass this bill we will be doing a great disservice to the people of Canada. We will be adding to the problem of health costs. We will be denying drugs to people who otherwise would have bought them, and who desperately need them." *Debates of the Senate*, June 23, 1987, at page 1347.

That is what the Liberals had to say. Today, we know they were wrong because the reality is light years away from these gloomy predictions. In fact, between January 1987 and December 1991, prices of patented drugs increased by an average of only 2.9 per cent per year, well below the average inflation rate for the same period. The people who kept raising the spectre of fear for political reasons were wrong, and I named a few just now.

As for the promised investment in R and D, the industry reached its objectives five years before the 1996 deadline. I have a note here which I could give you, Mr. Speaker. They promised to double their ratio of R and D to sales and reach 10 per cent in 1996, in 10 years. Believe it or not, by 1991 those objectives had already been met. Even more important, they showed they were committed to reaching those objectives and they met their commitments. And they did that in five years, instead of ten. We have to trust people a little. As for investment in R and D, the industry met its objectives well in advance.

Bill C-91 also gives new powers to the Patented Medicine Prices Review Board created in 1987. It was said earlier today that prices might go up—the hon. member referred to this—but I think the review board can even put people in jail for excessive pricing, beyond what is normal in a competitive market.

The objective is above all for the review board to ensure that the prices of both new and existing patent drugs are not excessive. I am confident that the review board will be able to do so, thanks to the new powers it has under this bill.

These new powers will also enable the review board to examine initial prices for new patented drugs. This is not just about price increases. I think consumers can also get a new deal when a new product is launched at at an excessively high price, even if there are no further increases. That is something the review board must consider very seriously.

The board will also be able to order price reductions or impose fines retroactively and thus discourage the practice of charging excessive prices. As we said earlier, this could even mean a jail sentence. These new powers will give the board's rulings the same clout as a ruling by the Federal Court. As we said earlier, since it was created, the board has ensured that any increase in the price of patented drugs remained below the rate of inflation.

The hon. member said earlier that the reason prices did not go up was the recession. Of course, somebody always takes the credit for good news, while bad news is always the government's fault. In this case, inflation was down, no thanks to the board. It is too bad he forgot to mention that the board probably did something right. I agree that in the past we have had boards that were supposed to look after the consumer and were not always a success. In fact they were often a disaster, and I had to deal with a number of these boards, especially here in Ottawa. However, when the results are good, I think the board deserves some credit, although my Liberal colleague on the other side preferred to thinks it was due to the recession.

In its fourth report, the Patented Medicine Prices Review Board said that the ratio of R and D to sales by patent-holding companies since 1991 has been around 9.7 per cent. Last year, these companies spent $376.4 million on R&D, an increase of 23 per cent over 1990.

I must admit that we notice these increases in my riding. I must say how proud I was again this morning. Knowing that we would be discussing this bill, as I drove along the highway in Laval, I saw something big being built and when I saw the name I was very glad because once again the drug company Bio-Mega has decided to expand and invest in Laval. It is putting up a big building. It is not Esso, I must admit, but Bio-Mega, which makes

me very pleased, and it is now called Boehringer Ingelheim.

Bill C-91 will be studied by the committee and I am sure that all members of this House will have constructive suggestions. Let us act promptly and send this bill to the committee for consideration. I must tell everyone here to stop frightening people. Investors want to have some return. No one in business invests without getting a return. With the laws and the board, I am sure that consumers will be well protected and I hope that the board will be very strict.

My colleagues in the opposition are against it. They are against everything. They will not help us build. It is not thanks to them that we have had investments in our riding; it is thanks to Bill C-22, and I hope that we will have more with Bill C-91.

Mr. Milliken: On a point of order, Mr. Speaker. I believe that you will find unanimous consent for the House to continue sitting between one and two o'clock this afternoon.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent for the House to continue sitting over lunch hour, from one to two o'clock?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): I did not hear anyone say no, so it is agreed and accepted.

[*English*]

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I listened with a great deal of interest. I want to ask three specific questions.

I would like to point out something about this whole issue of pricing and research and development. First of all, looking at British Columbia, we have been promised $15 million over five years. However, it has already been documented that it is going to cost our provincial pharmacy program $40 million each and every year. On one drug alone that is caught in the pipeline, as they call it, that has been given a licence, it will be taken back because after December 1991 it will cost $146 million over the next 15 years.

Nobody in Canada believes the documentation of the Prices Review Board. It is simply because every other independent organization, like Green Shield, has documented that the average price increase of drugs already in existence was 6.4 per cent.

They did a study in B.C. which showed that the cost of drugs to the pharmacy program has increased 72 per cent. Out of that 17 per cent was because of additional usage, -47 per cent because of a reduction in dispensing fees—actually dispensing fee costs went down—and 133 per cent in average ingredient costs, in other words, the cost of the drugs to the pharmacy.

They talk about all of the wonderful research and development that has gone up to 10 per cent of sales. Compared to the rest of the world, the United States has a minimum mandatory 16 per cent, Germany has 16 per cent, the United Kingdom has 20.9 per cent and Sweden has 21.8 per cent. This is going back a couple of years. They have not even begun to catch up to the rate of research and development that takes place in other countries.

In addition, more than 50 per cent of our research is only clinical trials. It is not basic research.

• (1250)

Third, the Prices Review Board. The American drug companies made it very clear when the president of the pharmaceutical association, Gerald Mossinghoff, stated that the the members of the Pharmaceutical Manufacturers' Association in Washington would like to eliminate the Canadian government's price controls.

They want an extension of patent protection. Then they will eliminate the prices control. Lo and behold, what do you find? James MacPherson, the dean of Osgoode Hall Law School, said that there is no doubt that this legislation could be struck down on a constitutional challenge as it relates to price control.

What the Tories are saying is: "We will pretend we are hiding behind this prices control knowing full well it is going to get struck down by the American Pharmaceutical Manufacturers Association which will challenge it in our courts".

My three questions are: How can you justify it knowing that the legislation as it pertains to price control is probably unconstitutional? How do you justify a rate of research and development which is more than 50 per cent clinical trial, has nothing to do with basic research and is not anywhere near any industrial country? How do

you justify to Canadian taxpayers and Canadian patients a dramatic increase in drug costs over the last few years?

Mr. Della Noce: Mr. Speaker, I do not know if it was a question or a speech, but let me answer my hon. colleague. I wish all the numbers he gave were dollar bills in my bank account. I would be a millionaire. If I start to go into these numbers, I will need a preparation of at least five minutes to make sure that the numbers he gave were the correct numbers.

What I can say to my hon. colleague is when we control the prices, we control the patent drugs. We do not control the whole world with this bill. When we speak about the increase and rising, we are speaking of zero this year and 2 per cent by the year 2000.

Mr. Karpoff: Baloney. Mulroney or baloney, it's about the same.

Mr. Della Noce: Well, if it is baloney I usually do not eat baloney. My hon. colleague says it is baloney. His numbers must be mortadella .When my hon. colleague asks questions, I wonder if he is not making a political speech to mix up people.

To answer regarding such big numbers is a little bit out of my context. People listening to us wonder if all these numbers can be retained in the memory. If they are really interested in these numbers, what is important is to protect the consumer. We have somebody there. We have a board and we have a control which did a good job this year. If they did a good job, we should not say it is because of the recession or inflation. If they did a good job, let us give them credit. If they did not do a good job, we will there to remind them.

Mr. Karpoff: Well, get rid of them.

Mr. Della Noce: We will get rid of them when they are no good. We do not get rid of them if they are successful. My hon. colleague said: "Get rid of them".

We do not get rid of people who produce. There are enough people who do not produce. When we have a good formation, we must keep it. I do not agree with either of my hon. colleagues who said it is because of the recession if the prices stayed low. It is because we have a board. We have some control and the job was well done.

Mr. Karpoff: Mr. Speaker, I asked three specific questions and my hon. friend declined to answer any of them.

What does he say when the dean of law at Osgoode Hall says the whole of the Prices Review Board is probably unconstitutional? We are passing legislation that they know they can throw out. The member has not dealt with the whole issue. The price increase since patent protection has been brought in has been documented time and time again by independent organizations to be at 6.4 per cent or much higher. That is for existing patent drugs. This is not all of the other things.

Even their own government document showed that 40 per cent of the drugs came on the market over the guidelines of the Prices Review Board. They had no power to roll them back and he calls that effective.

I wish he would also answer the question about when Canada is going to catch up with the rate of research that is standard in every other country. Why did they not look at what happened before they brought in patent protection? We actually had faster increases in research and development before than we have since.

Mr. Della Noce: Mr. Speaker, I love to answer my hon. colleague because sometimes I think it is more than funny when he asks me to decide when the judge did not even decide. Let us wait until the judge decides and then see if he has got a problem with lawyers. I must tell my hon. colleague that I asked for advice from seven different lawyers and they came with seven different answers. Maybe he should do like me, change lawyers and wait until the judges of the Supreme Court decide.

I must admit this is the first time I have seen a Prices Review Board which, having been established for only a few years, already has achieved some positive results. Some say it is not the board, it is because of the recession. Some say it is inflation. Until new things happen, I must say I would like to see the Prices Review Board stay and I will wait to see what the court will say.

I suggest to my hon. colleague that if he has problems with lawyers that he should do like I did, change all of them.

The Acting Speaker (Mr. DeBlois): The hon. member for Winnipeg North is lucky because the period of the first five hours of debate ends in one minute and he is the last speaker to benefit from a 20-minute speech and questions and comments. The hon. member for Winnipeg North has 20 minutes maximum.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, it is indeed sad that the time left for this debate is only 20 minutes. I know that a number of MPs are still wanting to debate this issue because the government has made a terrible mistake once more.

I should like to start with what prompted this government to introduce this bill. To put it on the record, it is part of its economic agenda that was started in 1984. The then Minister of Finance, the present Minister for International Trade, said when he appeared before the Pharmaceutical Manufacturers Association of Canada last October, and I quote: "Since 1984 when the federal government brought in its agenda for economic renewal, this is precisely what we have been doing and will continue to do so in the future".

The Minister of Consumer and Corporate Affairs in introducing this bill last September 17 said: "As far as economic benefits are concerned, Bill C-91 is another step in the government's program to modernize and rationalize Canadian patent legislation".

This is part of the government's economic agenda. However, Canadians know that its economic agenda has been a failure. We have a recession. We have 1.6 millions Canadians unemployed. We have the longest food bank line in the world and this government is trying to tell us that we should believe and that we should have trust and have faith in its economic agenda and therefore accept this new bill, Bill C-91.

I ask: Is it fair to ask of Canadians to trust this government? Canadians have spoken loudly. They do not trust this government and so they cannot trust as well the intent behind this bill as a tool for an economic agenda.

I should also indicate that this raises a fundamental issue. The same Minister of Consumer and Corporate Affairs in opening debate on this bill last September 17 indicated as well: "Under Bill C-91 pharmaceutical products will be allowed the same 20-year protection as tools and communication systems". In other words, this minister is speaking for his government and cannot distinguish the fundamental difference between machine tools and drugs and medicines. Drugs and medicines are needed by patients because of illness, not because they would like to create something new. It is a desire for something, a necessity, without which human life is in danger and this minister equates medicines and drugs with tools by giving them the same life span of patent protection.

• (1300)

It raises the question then as to whether we will use the debate on this bill as an economic issue, or is it really a social issue? I submit that Bill C-91 is very much a social issue. I am sure there will be winners and losers and I speak for those on the losing end of this legislation. I am most concerned with them. They are my constituents in Winnipeg North, in the province of Manitoba, and in all of Canada. They are the men and women on the street who pay for prescription drugs, items that have become key to our health and continued well-being.

I submit that health consumers, especially seniors, will be the first casualties of Bill C-91 if enacted into law. I come to their defence because this government has failed to do so, siding instead with multinationals that develop their products elsewhere, refine their chemicals offshore, and tend to be evasive about the types and amount of research and development they actually do in this country.

We have heard from the Coalition for Biomedical and Health Research that the amount of research spent by the pharmaceutical industries in basic research is abysmal, really very small. Yet it is also known that the advances in basic research have contributed greatly to the introduction of new drugs and innovations into the pharmaceutical industry.

The pharmaceutical industry must be helped but we also have our health care system which is struggling for sustainability and this bill comes at the expense of medicare and the government cannot deny it.

Either the minister of health has been under a gag order or has been swayed by the politics of his peers, turning deaf ears to the provinces. The provinces have been left to squirm like bugs on a pin. They have been forced to endure freezes in federal transfer payments for health care.

Then there has been the effect of the GST on drugs and hospital services. More and more people have been pushed on to welfare by federal fiscal and unemployment insurance policies, culminating in greater numbers of people on provincial drug plans. As I indicated earlier an aging population means more seniors on drug plans.

The net result is a lack of fiscal elasticity for the provinces. Their budgets are stretched to the limit for health care. Any increase in the price of drugs is too much and this government has not denied that. In fact, it appears it has accepted it with pride, that $550 million is an acceptable price to pay in this day and age of recession. I cannot see the priorities of this government and this government cannot deny impending increases and is trying to pull out the safety net of generic drugs.

In fact I submit it is imperative that generic drugs get to the market quickly and 20 years, in my opinion, is not quick enough. This bill calls for another three years of patent protection, three more years for which the provinces must buy higher priced brand name drugs.

The government House leader was recently interviewed on CBC Radio and stated that the price of drugs would rise. Well, neither the Minister of Consumer and Corporate Affairs nor the Minister for International Trade has denied that prices would climb as I indicated and they seem to relish that.

The fact is compulsory licensing keeps the cost of drugs down. Generic drug companies have evolved from the need of Canadians to protect the medical system. If I could so kindly remind this government, yesterday the government admitted that this bill will cost Canada $550 million by the year 2000, a headline in *The Ottawa Citizen*.

The health minister of Ontario has indicated that over 20 per cent of citizens are covered under the Ontario Drug Benefit Program and that Bill C-91 will have a price tag of $1 billion in the next 10 years. No matter which way you slice this bill it will cost millions.

Undoubtedly, the federal government did not drive a hard bargain and it was hoodwinked or brow-beaten by lobbyists. We could easily allocate $550 million for research and development directly under the leadership of the federal government. That is the way to go.

Bill C-91 promises to strengthen the Patented Medicine Prices Review Board and says that it can roll back prices, it can impose jail sentences, and so on. In the same breath, the minister said that the Patented Medicine Prices Review Board has served to protect consumers allowing the cost of medicines to increase by only 2.9 per cent between 1987 and 1991. If he was so convinced that the board had done its duty, why then would he consider putting these so-called severe penalties?

I do recall once more that during the debate on Bill C-22 this government at that time indicated that it was the answer, that it was a balanced bill. Five years later, it is no longer a balanced bill, no longer a balanced law. In fact, the intent of Parliament at that time was to review this by the year 1996 and then report to this Chamber, making recommendations after consulting the Canadian public and all stakeholders in the pharmaceutical industry, health care system, provincial ministers, and so on. But it is only 1992 and already the rules of the game are changing. Is that fairness?

What the minister failed to concede was that the Green Shield plan has found the cost of drugs to be increasing at 11 per cent per year. In my province of Manitoba drug costs have jumped by 12 per cent. I will tell you how angry Manitobans will be if we proceed with Bill C-91, how upset my constituents of Winnipeg North will be.

Last summer *Maclean's* magazine had a cover story and I remember the title as being something like: "Canadians are mad as heck", because we do not listen to the concerns of our constituents. Constituents are telling us that Bill C-91 will deal a devastating blow to their pockets.

When we pay for a drug we pay not only for the research and development costs and a mark up for profit. We are also paying for a business to function, to expand, to pay shareholders, to recoup losses from failed drugs that did not reach market, for overhead and aggressive marketing. We are paying for offices with marbled floors, skylights and fountains, corporate jets and advertising. But when we buy a drug or a pill we are buying health and health must always be affordable to Canadians.

I would like to remind the Minister for International Trade about the World Economic Council report which stated that Canada's health and education systems give us competitive advantage. Well, let us treat our health care system with care and not imperil that advantage.

• (1310)

I wish the minister could have spoken to one witness, a mother, who appeared before the standing committee on health and welfare. Speaking about the death of her daughter from hepatitis B, these were her words: "After my daughter's death, we were all vaccinated against hepatitis B and we were paying $137 for three shots. It varies from clinic to clinic, and probably from city to city but in fact that is far too high. The federal and provincial governments have worked hand in hand and then we must bring the pharmaceutical companies to be responsible and give us a fair price because this is outrageous. They are just raping the citizens. We cannot afford this cost factor and it is not necessary".

I wish the minister had heard those words. Perhaps the minister should also try to listen to the seniors of this country, like those in Manitoba, those in Winnipeg North who launched a court action against the government because of the threats of Bill C–22. Now we are even going farther. Indeed, it is a disgrace that we are proceeding with this bill.

I bring to this House a certain amount of experience as a clinical doctor and a medical teacher. I know that if this government really wanted to help our universities, teaching hospitals, scientists and technicians it would have defined research and development by demanding a quota of basic research.

In one study published by the department of economics of the University of Pennsylvania in the journal *Research Policy* in 1991, looking at the role of basic research and how it has hastened the introduction of new drugs, the average time lag between the conclusion of the relevant academic research and the first commercial introduction of the innovations based on this research was about seven years. The estimated sales and savings of these new products to industry accounted for over $30 billion. We do not need Bill C–91 to ask our pharmaceutical industries to invest in research and development, there is already the moral force.

Academic research has allowed them to come seven years earlier than would have been possible. They have an obligation to contribute to research and development. They have an obligation to contribute to a medical discovery fund even without Bill C–91. Then a decade later, two decades later we would see what has happened.

Who does the minister serve? Does he and his government serve the people of Canada or multinational giants? I think the answer is clear. Nearing the conclusion of my debate today with the query directed to the minister of health, I know he has in his possession a study done by a University of Laval professor, Dr. Denis Gagnon. This study recommends to the government ways to clear the drug approval backlog and make our system even more efficient.

I estimate that in fact we will reduce the delay in the approval process by at least one year. That is one year of additional exclusivity already from the notice of compliance. Therefore, why has this minister of health not tabled in the House of Commons a document that I understand already exists and has been on his desk since July? I call upon the minister of health to release that document so that it can be part of the relevant debate today.

In closing, I wish to bring to the attention of the House the concern that this bill really fails Canadians in many, many ways. Once again, *The New York Times* of yesterday said that the differences in the price of drugs in Canada and across the border in the United States is anywhere from 5 per cent to 183 per cent. Take one group of drugs, those used for anxiety. The cost of drugs across the border in the United States is about 183 per cent more. No wonder they is a lot of anxiety in the States. Are we to import that level of anxiety to Canada and increase the price of drugs?

The argument that will be used to develop research and development, to encourage more jobs in this country, is the same argument used in 1987 when Bill C–22 was passed. It is the same old argument. In fact, Mr. Stewart MacLeod in a special article in *The Free Press* published last July 6 reminded us that if jobs are to be created in the pharmaceutical industry we must also remember that jobs may be lost from the generic industries. So there could be a balance.

Bill C-91 has no rationale today. It places our health care system in great jeopardy. It will adversely affect our seniors, it will adversely affect young families, and there is no reason for it.

Can we look upon Bill C-91 as an economic tool, or is it a bill that will provide safety and security to Canadians so that they have access to drugs that will cure them of their illnesses and restore them to health? Only then will they have a decent way of living and can participate in the workforce. Those are the questions, Mr. Speaker.

On that basis I strongly oppose Bill C-91. May the government have a change of heart and withdraw this bill.

[*Translation*]

Mr. Phillip Edmonston (Chambly): Mr. Speaker, I listened with a great deal of interest to what my colleague opposite had to say about this most important legislation, Bill C-91. He is in a very good position to appreciate the problems caused by this legislation because, as it turns out, he is a medical doctor, someone who is well aware of problems in that community. It is interesting to note that in the medical, hospital and health care providers community, he does find flaws in this bill.

I listened carefully when he mentioned the negative effect this bill will have on older people. I would just like to point out to him that various seniors groups from Quebec and elsewhere in Canada have already made it clear they are dissatisfied with this bill. I would also like to call his attention to the fact that the provincial health ministries have already registered their disapproval of this bill, which is quite interesting considering the bill provides for a marginal increase in investments by pharmaceutical companies, which in turn would create jobs. However, the provinces are not convinced. They said: "Perhaps there will be a few little jobs created here and there and a slight increase in investments but, all in all, we the provinces will have to pay more, a great deal more, for those few extra jobs".

I have two questions. The hon. member mentioned two things. First, a document he is hoping the minister will table in this House today in order to have a better idea of the effect Bill C-22 has had so far. I would like to know what document he is referring to and what use it is to us.

• (1320)

My second question is the following. Does he not find somewhat disturbing the fact that one of the main lobbyists for this legislation on pharmaceutical products is a former Minister of Consumer and Corporate Affairs, namely Mrs. Judy Erola? I met her back in those days as a consumer advocate from Quebec. This bothers me and I would like to know if it bothers my colleague opposite to see this former Liberal member become the leading advocate for increasing the price of pharmaceutical products.

[*English*]

Mr. Pagtakhan: Mr. Speaker, in answer to the second question, I have the highest respect for the former minister Judy Erola. She served our country well. She is now head of that industry association and I congratulate her for that. Of course she will present her point of view to us and that, in a real sense, is the challenge and the test of the maturity of democracy in our country, that we can hear opposing views.

However, I am not troubled because I know where I and my party stands. Am I troubled? The answer is no. We are testing the maturity of democracy in this country. Ms. Erola has her point of view and we have our policy position in the interest of Canadians.

In answer to the first question, the document I was alluding to that I would like the minister of health to table is a report commissioned by the department of health. It has asked Dr. Denis Gagnon of Laval University to look at and review the drug approval process for Canada and to see how we can make it more efficient so that there will be a speedier process and no backlog. Its advantage is that it will also enhance the introduction of essentially important new drugs for the benefit of consumers. It will also benefit the industry. I think this is excellent.

In a sense what I was saying earlier is that there already is the potential benefit coming in, not through Bill C-91, but as a consequence of the present legislation. Therefore, we do not need Bill C-91.

If we extend the monopolistic control on prices to any one group of companies and if we eliminate compulsory licensing altogether, as is envisioned after this Bill C-91 is passed, there will no longer be any incentive to go back to the drawing board and discover new drugs because the profits will be so lucrative that there will be no more incentive to discover new drugs. In a sense by having a conclusion or an end through compulsory licensing we

are ensuring the search for new drugs continues in Canada.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I apologize that I did not hear all of the hon. member's speech, but I understand that he has some concerns about the cost of drugs as they will affect seniors.

I would ask the member why he has those concerns. How does he feel that this bill will impact on seniors adversely? It is simply is not accurate to contend that for a number of reasons. First of all, most seniors are covered by drug plans that cover most of the cost of drugs whether they are patented drugs or whether they are not patented drugs. Even for those seniors who are not covered, we are really only talking about a gradual increase of up to 2 per cent by the year 2000. It will actually be 1.7 per cent by the year 2000 which is over nine years. We are talking only about those drugs that are under patent. You must remember that is only a small proportion of the entire drug product that is sold to Canadians each year across the country at retail outlets across the country.

I might also mention that the Liberals had in fact, as I understand it, contemplated rescinding the compulsory licensing regime before they lost the election in 1984, because they too could see that this was a backward step in an increasingly globally competitive world. Therefore I am quite surprised that my colleague would come forward with an objection to the ending of this compulsory licensing regime because clearly the members of the previous Liberal government believed that it was something whose time had come, that it had fulfilled its purpose and should be rescinded.

Perhaps the hon. member could tell me why he thinks prices will rise inordinately when we have a prices review board that has been given additional powers to roll back drug price increases, to penalize, very severely, those offenders who dare to try to raise prices over the recommended level and which can put these people in jail, imprison them, or fine them.

Surely the member must know something I do not if he feels that prices will increase in view of all of these things.

Mr. Pagtakhan: Mr. Speaker, history must be quoted correctly. The Liberal government introduced compulsory licensing in Canada and we are proud of that.

Second, it is anticipated by this government in so many documents that I cannot read them all to the House at this time that by the year 1996 it will go even further into the issue of why no prices will increase.

The government has already admitted prices will increase. What else can I say? It has admitted prices will increase, but it has said by only 2 per cent. For seniors on fixed incomes, only 2 per cent. For seniors who may in fact already be poor, only 2 per cent.

The seniors of our country paid their dues during their working years. We cannot afford the national disgrace of saying now that the seniors should give an additional 2 per cent of expenditures for the drugs that they need.

I ask the hon. member if it is true, if it has been admitted. As there is no more time for me to speak further, I would be glad to elaborate outside the walls of this Chamber.

The Acting Speaker (Mr. DeBlois): I remind all hon. members that the first five hours of debate have now expired and we begin the period for speeches of 10 minutes maximum without questions or comments.

Mr. Ken James (Parliamentary Secretary to Minister of Labour): Mr. Speaker, many things have been said about this bill and what it entails in the last few hours and weeks.

This House and the other place have heard many debates on the subject of patent protection for some pharmaceuticals for some years now, but what this government has achieved since 1987 and what it intends to achieve with these amendments to the Patent Act is nothing less than a concrete and lasting example of providing good, effective government for the people of Canada.

Our government has succeeded in balancing economic growth with consumer protection through its policy on pharmaceutical patent protection. Bill C–91 continues in that tradition, building upon the successes of the 1987 revisions to the Patent Act.

In 1987 this government took its first step to begin to correct an outflow of economic activity in an industry which has traditionally had a strong scientific and manufacturing presence in Canada but which was on its way

to leaving Canada for more welcome homes elsewhere in the world.

What the 1987 revisions to the Patent Act were meant to achieve was the reinstatement of a policy of recognition for discovery, for innovation in Canada while balancing that with the protection and the interest of the consumer.

• (1330)

Rewarding discovery is an essential component of developing a strong economy in an age of increasing technological sophistication and international competition. Quite frankly, we as a government wanted the pharmaceutical innovators to remain in Canada to develop a technological and research base here, not elsewhere. We wanted them to concentrate their businesses here, to employ our science graduates, to invest in plants and equipment on Canadian soil, to invest in research in Canadian universities and in Canadian hospitals and other research centres and export from Canada rather than import into Canada.

We wanted to accomplish this while at the same time provide a strong system of controls on the prices of patent medicines. There was never a question for us as a government of having a strong growth in the pharmaceutical industry at the expense of consumers. Part and parcel of our policy in 1987 as well as today was to have strong patented drug price controls to ensure that drug prices for Canadian consumers remain reasonable.

This legislation as well as the legislation of 1987 provides for exactly that. We created the Patented Medicine Prices Review Board in 1987 to control the prices of patent medicines in Canada. It has done its job since then and with this legislation it will be given even more powers. Bill C–91 gives the board expanded powers to roll back unwarranted price increases and provides for fines and sentences for those who do not comply.

By the year 2000 it is projected that the cost of purchases by pharmacies and hospitals of prescription and behind the counter drugs will only be 2 per cent higher due to the provisions of this legislation. It is projected through detailed calculations that the total added cost of patent drugs over the period 1992 to 1996 due to this legislation will be one dollar per Canadian more per year. One dollar per year per person in this country is not a large amount for having a policy that stimulates research and development in this country.

The opposition would have us spending all sorts of dollars per person of government money through taxation, but I guess that is a more clouded way and people do not realize that it is costing them. This is a straight-up, free enterprise, entrepreneurial way where there is research done at minimal cost.

Because of this bill Canada will reap the benefits of close to $.5 billion in increased investment by the innovative pharmaceutical industry in the foreseeable future. We are achieving a true balance in promoting economic growth while protecting the consumer through our continuing policy of pharmaceuticals.

The record since 1987 speaks for itself. The Patent Act amendments of 1987, then known as Bill C–22, have been a true success story. That success story is continuing to this day. However, it should be looked at in light of what the critics in this House and elsewhere had said at that time. One was that an innovative pharmaceutical industry would not meet its investment promises to the government. Second, the opposition said the government would not succeed in controlling patent drug prices. Third, the generic manufacturers would disappear.

Let me take the House through what has happened on all three counts since the passage of Bill C–22. The first issue is research spending. The innovative industry has delivered on its promised targets for doubling research spending in relation to sales five years earlier than was promised. This innovative pharmaceutical industry invested over $1 billion in R and D in Canada in the last five years, with over $340 million going to Canadian universities, hospitals and other medical research establishments.

I should add that since the government announced its intention to eliminate compulsory licensing, the industry has already announced over $500 million in new investment across Canada.

Second, the issue of contention in 1987 was drug prices. Price increases from existing patent drugs have kept an average growth of 2.9 per cent from 1987 to 1992, compared with an average Consumer Price Index of 4.7 per cent. This is a very strong record of effectively controlling patent drug prices and completely discredits the critics. We should make everyone think twice about their criticisms today.

It has become increasingly clear to others in the world that our system of drug price control works, our drug price control system has worked, and we certainly have every indication of that.

A study done by the U.S., one half of the 200 drugs studied, indicates significant drug prices being less at the wholesale level in Canada versus the United States. I can attest to that. I attended a meeting in the United States when congressman Bonior was putting on a seminar a few months ago and that was related in that meeting. They were surprised at the price of wholesale drugs in the United States versus the price in Canada. Certainly that was an important part of their discussion on that day when they talked about medicare and looking at ways of providing better medical care to their people in the United States. Clearly the Patented Medicine Prices Review Board is doing a good job.

The third issue of 1987 was the supposed disappearance of the generic manufacturers sector in Canada. It was all going to disappear. It is amazing, it did not disappear as was claimed by the critics in 1987. The results have been quite the contrary. The industry is growing, it has grown and has had twice the growth since 1987.

We can say quite correctly that the critics have been wrong on all three counts. As my dad always said, the best measure of what will happen is what has happened in the past and certainly the criticisms of the critics have not been proven on any point.

Bill C-91 is a prime example of good comprehensive government policy that effectively strikes a balance protecting the interests of consumers while stimulating the growth of a knowledge based, high technology industry here in Canada. We know we can compete internationally and this bill deserves the support of Parliament and of the people of Canada.

[*Translation*]

Mr. Phillip Edmonston (Chambly): Mr. Speaker, I am pleased to rise today to speak on Bill C-91. I am against this bill because I think that it will have three harmful effects for all Canadians.

First, I think that this bill will raise drug prices. Second, I think that it will hit older people especially. When I say older people, I will soon be 50 and I am talking about people 50 and older. You do not need to be a golden ager to know that drug prices are now out of control. With this Bill C-91, it will be a real jungle, if we go by what the *New York Times* wrote, and the reason I mention this newspaper is that I find it to be fairly independent in this debate. It is neither NDP nor Conservative nor Liberal; it is not even a Canadian paper. It is published outside Canada and it wrote that according to independent studies, this bill will cost us about $508 million more a year. This will have a second effect that will hurt all of Canada in that our health system will be more threatened because the provinces will have to delist some drugs or require more and more beneficiaries to pay part of the cost of medication.

• (1340)

We in Quebec have seen what happens when drug prices go up and druggists charge prescription fees. In Quebec we now have a user fee of $2 for every prescription filled. The minister said earlier that it was only 2 per cent more. Drugs will only cost us 2 per cent more if Bill C-91 is passed. But in Quebec we already pay more when the druggist charges $2 for every prescription.

A headline of an article in *Le Devoir* that I will quote reads: "Deterred by the user fee—the $2 charge—seniors cut their drug consumption too much". Because they have to pay $2 more, people are already deciding to do without their drugs. That is only $2, but now we are talking about 2 per cent.

I ask my colleague from Winnipeg South to really listen to the people in his riding. Let him go to the various activities of seniors' groups in his riding and I am sure that he will see that they are against this Bill C-91. If you do not want to hear your constituents, listen to your family, talk with your mother, your father and the older people in your family and you will realize, as the good colleague and good politician that you are, that drug prices are already unreasonable today. The system we have in the various provinces is already pushed to the limit in that they are looking more and more to see what service can be cut, what drug can be cut, what amount Canadians can be required to pay in order to balance the budget.

I certainly do not want to get into a war of figures because the government has figures showing that it will not cost that much and many jobs will be created. On the other hand, we are told that they are low-paying jobs, like those for cleaning staff in the various drug companies. One can always claim that it will do no harm, but, Mr. Speaker, I quoted you a figure that came not from the Liberals or the New Democrats or the Conservatives and not even from the Canadian government but from

the Americans who say that Bill C–91 will bring them a billion dollars more.

I was disappointed when my colleague from Winnipeg replied by saying, "Come on, how can we trust the Americans?" You here in the House of Commons are acting as if the Americans were part of the evil empire. You are saying that they cannot be trusted. I am not asking anyone to trust all Americans but at least to trust the figures quoted in a reputable newspaper like the *New York Times*. Those figures were quoted there yesterday and I have not seen any retraction today. I have not heard this government ask that newspaper to retract so those figures still stand and they show that it will cost us a billion dollars more.

I conclude by saying that those listening and watching us will want to know whether to believe the Liberals, the Conservatives or the New Democrats. It is not necessary to trust us either, but check out drug prices, talk to your pharmacist and especially your doctor because he too will tell you that this is an unnecessary bill that will open the field of pharmaceuticals to a certain kind of banditry and make the law of the jungle prevail and above all that it will affect not just old people but everyone. That is what bothers me.

Although the government made promises to the drug companies, it should have told them: "Thanks for all your donations, but we did what we could and were unable to pass this bill. Wait for the next election and maybe after that we will submit this bill again". We must not pass this bill now because it is detrimental to Canadians' health.

[*English*]

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I welcome the opportunity to participate in this debate and I wish to begin by raising one very simple question: Why is it that the government in the last gasping, dying days of its existence is bringing in legislation which is so destructive and so injurious to the well-being of this country? Why does it believe that it has a mandate to so completely go against the interests of the large number of Canadians who depend upon proper health care and proper drug prices? Whom is it paying off? To whom is it answerable on this question? Clearly, there is nothing in this bill that justifies the Draconian actions of taking away what has been one of the most useful areas of social legislation that Canada has had for the last 20 years.

I was in this city at the time when the compulsory licensing bill was brought in. I was a special assistant to the Minister of Consumer and Corporate Affairs, the former leader of the Liberal Party, when we brought in compulsory licensing. I remember well the debate at the time and the committee examination because my job was to monitor what was taking place. I can remember the conditions back in 1968: price gouging, exorbitant, unfeeling rip-offs of all kinds of people by the major manufacturers, with no sense of responsibility. They were not simply providing a product, they were providing the life blood for hundreds of Canadians who need their medicaments.

Now we have a government that is going to return exactly back to the old system. It is turning the clock back over 20 years. Again, one would have to ask why. What is the reason? What possibly could seize it with this reason?

I suppose it is not too hard to find because all one has to do is read the North American free trade agreement and realize that this was a condition inserted by the now rejected Bush administration in the United States for signing the NAFTA agreement and this government went along. It was the classic pieces of silver that it sold out for. If anybody wants to know why they should object strenuously to the North American free trade agreement, it is because it includes measures like this that totally work against the interests of Canadians. This is not the only hidden nugget in that agreement, but this one is the most blatant and the most damaging because it goes to the very vital health of Canadians.

My colleague has reported the general accounting study done by the Americans, about the extra $400 million in health costs per year at a time when the health system is already overloaded. It is interesting that at a time when the Americans have examined the Canadian compulsory licensing system to see if that is a way of effectively cutting costs in their health care system, we are rejecting that very same system. I would suggest, watching the impacts of the American election, that President-elect Clinton has made a major commitment to reduce health costs. One of the things that the new administration will be looking at is this proposal to deal with compulsory licensing that Canada has had for over the past 25 years and it will take a hard look at that as

one of the measures that it would introduce to reduce its own health costs—talk about a government that is swimming upstream.

• (1350)

Here we have an American administration trying to reduce health costs and we have a Canadian administration, because of a previous sell-out under NAFTA, saying it is going to go ahead with the bill.

It had received pleas from provincial health ministers of all political stripes right across this country to say this would put an enormous burden on the system.

Under those circumstances what nerve it has when its mandate is about through to go ahead and ram this bill through with a majority and I plead with Conservative members of Parliament who are responsible and accountable to their own constituents to tell their cabinet to withdraw this bill and not to proceed with this legislation.

I have heard some members get up and try to defend this on the other side, saying it will be a great boon to medical research. I look at the commitments. There has been some investment. Have they talked about the losses?

The generic drug industry of Canada is also investing substantially in original drug research. In my own city of Winnipeg several major companies have started up new plants and the president of Apotex has said without any hesitation that he will have to shut down a major plant in the city of Winnipeg because of this bill, not because it is not there, but because of this bill.

That example is reproduced right across Canada.

If you total the suggested increases in research with what we know are the known losses, the net impact in my view will be a substantial decline of a Canadian based generic drug industry that is prepared to invest right across Canada to use the facilities to start our own industry at a time when that is what we desperately need. Instead we are bringing in legislation in this House to serve the interests of multinationals and in which control accountability is missing.

As an intelligent, thoughtful member of Parliament, Mr. Speaker, can you find any reason to support this bill? You cannot because sitting in the chair in an impartial state you would have to make a judgment that there is no reason. There is no moral authority for this government to bring in the bill.

Members of this government will ultimately be answerable to the people, particularly to those in this country who must go daily to their pharmacist, their druggist to get medication. I had a case in my office about a month ago of a gentleman who has to take drugs on a daily basis for a very severe condition. They keep him alive. He has no choice in the matter. He has been buying generic drugs in bulk.

Even under those circumstances, as it has now shifted and the impact of Bill C-22, the old bill, has come into effect, it is harder and harder to get access to those drugs and he has seen increases of 10 per cent, 15 per cent, 20 per cent, 30 per cent in those prices.

If this bill goes through he has no chance. It will virtually double the cost of his pharmaceuticals. Who is going to pay for that? The health care system in the province of Manitoba, senior citizens, taxpayers.

I watched with some interest the Prime Minister last night saying he is going to have an economic renewal speech. What is his prescription for economic renewal? Increased cost; make basic pharmaceuticals higher priced, harder to get for people who need it. That is his prescription for economic renewal.

I can only say and plead there is only one way to stop the bill. We must recognize our limitations. We can only do that if certain members of Parliament on the government side have the courage of their conviction and the honesty of their view to know that the only reason for this bill, the only reason it was introduced at this time, the reason it is being rammed through by closure motion, why we are not being given proper opportunity to debate it, to hold hearings on it, is because of an obligation owing to a defeated president of the United States to get the NAFTA bill passed.

It is part of that general misguided sense of ideological purity that only this Prime Minister and his cabinet have. Only they know what is right and these obligations to the discredited members of that old neo-conservative coalition that unfortunately ran too many countries in the industrialized world for the past 10 years must finally come to an end.

I say again to the members of Parliament on the other side for the sake of seniors, for the sake of taxpayers, for the sake of our health care system, for the sake of preserving a Canadian based research industry, for the sake of standing up for the integrity and independence of this country to decide its own policies and not have them decided somewhere else, stand up in your caucus tomorrow morning when you have the chance and tell the Prime Minister, for the sake of this country, to withdraw Bill C-91.

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, there is one aspect of the debate on Bill C-91 that deserves special attention; that is its impact on Canada's senior citizens.

Seniors are probably the single group that is most strongly interested in the costs of medicine in this country. They are at least twice as likely to need prescription drugs as the average Canadian. Though most senior citizens are covered by provincial drug plans, changes in the costs of pharmaceutical products are something that seniors see and experience directly.

The Canadian government remains sensitive to the concerns of seniors about drug costs. The changes proposed in Bill C-91 will strengthen measures to guard against excessive increases in patent drug prices. Above all, they will expand the powers of the board that reviews patented drug prices in Canada.

Since 1987, the Patented Medicine Prices Review Board has tracked increases in the prices of patented pharmaceuticals and it has been singularly successful in keeping those increases well below the rate of inflation.

The record is clear: since the board was created, the costs of patented drugs have risen by an average of only 2.9 per cent a year, well below the average rate of increase in the consumer price index. This is good news for Canadian senior citizens.

The success of the board has even been noticed by our neighbours. A report by the United States general accounting office recently compared the costs of prescription drug prices in the United States and Canada. It found that on average the manufacturers' price for prescription drugs was 32 per cent higher in the United States than in Canada.

Furthermore, the study found that one half of the drugs cost at least 50 per cent more in the United States. Of the top selling 200 drugs, 27 cost at least 100 per cent more in the United States, three drugs cost 500 per cent more and one, Isodel, used in the treatment of angina, costs an incredible 967 per cent more in the United States than in Canada.

Since there are no differences in manufacturers' costs in the two countries, the study concluded that the major source of the difference in drug prices in the United States and Canada is to be found in the action of the Canadian government.

As the report says, in setting prices manufacturers of patented drugs must conform to Canadian federal regulations that review prices for newly released drugs and restrain price increases for existing drugs. The fact is that the Canadian system is working. The Patented Medicine Prices Review Board has been proven to be an effective mechanism for keeping drug costs in line.

Bill C-91 strengthens the powers of the Patented Medicine Prices Review Board. Under its terms, the board will be able to roll back price increases and provide fines and jail terms for those found not to be in compliance with its guidelines.

The legislation also gives the PMPRB new powers to better control the prices at which new drugs are introduced into the marketplace. To enforce the board's authority, Bill C-91 makes it an offence for companies not to respond to board orders or to refuse to provide pricing or sales and expense information.

The net effect of these changes will be to make an already effective mechanism even more effective. It will ensure that those who hold drug patents will not be able to exploit those patents unfairly.

• (1400)

The provisions of Bill C-91 strike a reasonable balance between rewarding those who produce pharmaceutical innovations and protecting the interest of those like Canadian seniors who need effective and affordable medicines.

[*Translation*]

The Acting Speaker (Mr. DeBlois): 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*]

NUNAVUT

Mr. Patrick Boyer (Etobicoke—Lakeshore): Mr. Speaker, the creation of Nunavut has been a dream of Inuit leadership since the 1970s.

The people of the eastern Arctic have sought a new jurisdiction in this country consistent with their desire to govern themselves and manage their own affairs. In this whole process, the people and Government of the Northwest Territories have been fully involved.

First, division of NWT was approved in principle by a majority of voters in a plebiscite in 1982. Second, in May this year a majority of voters approved the precise location of the new boundary in a second plebiscite.

On October 30, the Nunavut political accord was signed by the Government of Canada, the Government of the Northwest Territories and the Tungavik Federation of Nunavut.

Now, in a referendum held between November 3 and November 5, Inuit voters overwhelmingly said yes to the accord. With an 80 per cent turn-out, 69 per cent of the voters said yes and people who were not voting were counted as no votes. That is a very significant level of approval.

Accordingly the Government of Canada will be introducing legislation at the time of the claim settlement legislation to divide the Northwest Territories and set up Nunavut. A happy day, particularly because the peoples themselves have been directly involved in making these decisions.

* * *

VETERANS AFFAIRS

Mr. George Proud (Hillsborough): Mr. Speaker, I call on the government to reassure the veterans of Canada that the benefits and the programs it provides will continue as long as there are needy and disabled Canadians who need them.

Seventy-five years ago the Prime Minister of Canada promised the veterans of World War I that they would be cared for by a grateful nation. Today there is fear among the veteran population that this government is planning to abandon the veterans and the department in the name of cost efficiency.

I understand that at least 250 positions at DVA will be declared surplus. I also understand that the department is looking at a merger with the Department of National Defence.

We wonder if this government is also looking at taxing or cutting veterans benefits. It is time for the government to make a clear recommitment to the veterans of Canada.

* * *

THE ECONOMY

Mr. Rod Murphy (Churchill): Mr. Speaker, this government's economic policies have been a disaster for Canada. The Conservative government and the previous Liberal government before it have followed policies which have increased unemployment in Canada.

On some of the reserves in my riding of Churchill and across Canada the unemployment rate exceeds 90 per cent. This desperate situation is made worse by inadequate housing and a lack of sewer and water facilities. Many reserves do not have permanent roads into their communities and others still rely on run-down diesel generators for electricity.

This lack of necessary houses and infrastructure creates an opportunity for the government. A water and sewage program along with a program to improve housing could employ people in both native and many other communities across Canada. These programs would improve the quality of life for thousands of native people.

I strongly urge the federal government to introduce these programs now in order to create jobs and to help make life for Canada's native peoples much better.

S. O. 31

NUNAVUT

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, I believe I speak for all members of this House when I say how pleased I am that on November 3 to November 5 of this year Inuit of the Northwest Territories voted overwhelmingly to their comprehensive land claim settlement agreement. In so doing they voted yes to settling the largest land claim in North America.

At the same time they have affirmed their aspirations to set up the new territory of Nunavut to further this stewardship of the lands and waters of the eastern Arctic and to better manage their own lives.

Through the whole region of Nunavut, 69 per cent of all eligible Inuit voters supported the claim settlement agreement. Of those voting, 85 per cent voted to support the settlement.

This was not only a vote on the claim. Settlement of the land claim is intimately linked to the goal of creating a new territory in the north, that is Nunavut.

Thus Nunavut will be established as a new territory alongside Yukon and Northwest Territories.

May I say that with the territory of Nunavut proposed for the year 1999, it will be a truly memorable inauguration to the 21st century.

* * *

[*Translation*]

GRAND-MÈRE ACTION

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, I rise today to congratulate *Grands-mères Action* in my riding for their good work against violence and sexism in the media. It is unacceptable that there is so much violence in 1992, and especially that the media do not feel that this issue should be on the agenda.

I believe we must address this problem right now if we really want to ensure a peaceful future for all Canadians.

Violence is unacceptable, whatever the group attacked, and we must correct the problem now. The media have a responsibility to promote a non-violent and non-sexist society and they have a lot of work to do in that respect.

SMALL BUSINESS

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, the Minister of State for Small Businesses urged the Canadian Bankers Association to improve access to credit for small and medium-sized businesses in this country. The minister added that the economic recovery was also dependent on a commitment by the banks to provide additional money for loans to new small businesses and generally on the openness of financial institutions to the credit needs of small and medium-sized businesses.

The economy needs help. Canadian businesses must have fair access to credit. This is why I urge the lending institutions to show greater flexibility toward small businesses.

* * *

[*English*]

AGRICULTURE

Mr. Vic Althouse (Mackenzie): Mr. Speaker, when the federal government laid out GRIP in 1991 it promised a final payment in November 1992. Now the government indicates it will not be in a position to pay producers for wheat and barley until next year.

Why should cash starved farmers wait another few months before they can pay their debts? They are still suffering from the farm aid shortfall of 1990 when the federal government tried to spread the aid package for 1989 and 1991 across that year and the farm debt rose dramatically as a result.

Recent studies show that grain farmers have lost $6.7 billion since 1986. In Saskatchewan alone this translates into $106,000 net cash loss per farm on average. The result is that many of them have lost the equity in their farms and have lost their farms entirely, as the recent increase in bankruptcy figures in that part of the country show.

Spreading the aid thinner will not help the situation. If the payments are due now they should be made now and the package should be reassessed because it is totally inadequate.

[*Translation*]

CP RAIL

Mr. François Gérin (Mégantic—Compton—Stanstead): Mr. Speaker, yesterday, the Prime Minister announced in his speech on economic recovery that he would emphasize transportation links. Yet today we learned some very sad news for Quebec and for Canada, namely that CP Rail has requested authorization to end its service between Quebec and the maritimes.

Quebec will not accept this decision. The Eastern Townships will not accept this decision. The mayors and reeves in my region are upset. I urge the government to intervene immediately with CP Rail to stop this discrimination against Quebec and the maritimes. Trade between Quebec and the maritimes is now over $4 billion and we want to keep it. Our jobs are at stake.

* * *

• (1410)

[*English*]

THE VALOUR AND THE HORROR

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, the Canadian Broadcasting Corporation ombudsman has declared that the drama documentary series *The Valour and the Horror* is flawed, that it fails to measure up to CBC's demanding policies and standards and that a number of the events and associations in the series are historically false.

That being the case, I call upon the Minister of Communications to direct the National Film Board to withdraw *The Valour and the Horror* from public distribution so it will not be available to schools and young people and the government will no longer be seen as denigrating the services of those who fought for Canada in World War II.

* * *

CENTENARY HEALTH CENTRE

Mr. Tom Wappel (Scarborough West): Mr. Speaker, in 1967, the centenary of Confederation, a new hospital opened in Scarborough. Fittingly it was called Centenary Hospital. Over the ensuing 25 years Centenary Hospital has grown just as Scarborough has grown.

Today the hospital, now known as Centenary Health Centre, is on the leading edge of health care services in Scarborough, metropolitan Toronto, and Ontario.

This reputation has been earned and is well deserved. The combination of excellent administrators, competent and dedicated staff, and selfless volunteers has resulted in a health centre relied upon by the citizens of Scarborough for their well-being.

The Margaret Birch wing permits patients to recuperate and rehabilitate right on the premises under the continuing and watchful eye of their surgeons.

On behalf of my constituents and all residents of Scarborough, I offer congratulations and thanks to all staff and volunteers of Centenary Health Centre for a quarter century of service to the local community.

* * *

[*Translation*]

JOB SEARCH

Mr. Marcel R. Tremblay (Québec-Est): Mr. Speaker, I would like to take this opportunity to salute the decision of a group of unemployed workers to get together and learn how to do a successful job search.

Several groups of unemployed workers are spending three weeks from nine to five, acquiring the tools they need to enter the labour market. Writing a curriculum vitae, introductory and thank-you letters, simulated interviews on video and targeting of potential employers are all part of the session.

The federal government is proud to be associated with this job search clubs project, aware that to have a satisfying job is a legitimate goal. Although these are difficult times, there is always room for excellence.

In an increasingly competitive world, standards are high and getting the right job means going all-out.

* * *

[*English*]

CP RAIL SYSTEMS

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, we were dismayed to learn today of a CP Rail Systems application to abandon all railway operations east of Sherbrooke. This is another example of damage to the economic infrastructure of this country caused by government negligence and its complete

inability to develop a consistent and comprehensive national transportation policy.

If this application is approved more than 300 railway jobs will be lost and hundreds of others in industries depending on rail freight services will be put in jeopardy.

While this government talks boldly of improving Canadian competitiveness, its inaction and irresponsibility fail to provide Canadian workers and business with the means and services they need in order to compete.

The CP Rail Systems announcement lays the blame for its application directly on the government's shoulders. It says that the absence of coherent and construction government policies has placed it in this unhappy position.

The railway industry has pleaded with the Government of Canada for years to amend its taxation and other policies to permit it to compete, but this government, this Tory government, has been satisfied to sit by while the Canadian economy literally falls apart.

* * *

POLITICS

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I know I am not alone among my colleagues in this House in being concerned about the low state of respect and confidence in which the Canadian people so obviously appear to hold the parliamentary process in general and this Parliament in particular.

It is not only a source of frustration for most politicians who address this profession as a high calling, but the public mood of cynicism about government at all levels in Canada is indeed dangerous to the effectiveness of the whole democratic system.

There are many causes for the chasm of confidence between leadership and followership in Canada, but perhaps none more so than the constant pursuit of partisan politics, the everlasting search for support, the vigorous and sometimes vicious battle for votes.

I have become convinced that to a considerable extent Canadian cynicism with respect to politicians comes from a perception that the practice of politics is frequently tainted with a principle almost akin to prostitution, that the noble purpose of serving the public is too often based primarily on what measures will be electable rather than on what policies will be effective. We must commit ourselves to counter that perception. It is time for Parliament to become less partisan and more purposeful. Surely it is also time for each one of us as MPs to more—

Mr. Speaker: The hon. member's time has expired.

* * *

THE ECONOMY

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, one of today's headlines in the *Financial Post* reads: "Resist Siren Call of the Spenders". I could not agree more.

One of the greatest mistakes the government could make would be to proceed down the road of massive government spending. More spending will simply add to the debt, rekindle inflation and increase interest rates. This would be a destructive course and should be avoided. As Canadians, we should know because previous governments have taken that path and we are still paying off their debts.

The fundamentals of a strong economy are in place and with some encouragement on the tax side, that is a reduction in taxes, specifically a reduction in the GST, along with additional yet fundamental changes in that area, consumer confidence will rebound, revenues will increase and the need for a massive injection of borrowed money into the economy can be avoided.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, the member for Fredericton—York—Sunbury just made a remark that this Parliament should set an example and be a little bit less partisan. I would like in asking my question of the Prime Minister to note that yesterday the Official Opposition and the New Democratic Party asked this government for some answers on economic policies and there was no answer from the Prime Minister or the Minister of Finance.

The next thing we saw, and showing disrespect for this Parliament, the Prime Minister went out and made the announcement of his economic plan to a fund raising dinner at $500 a plate, neglecting to make that statement here in the House of Commons.

The Prime Minister announced a plan that was no plan at all because it will take its course. I would like to say to the Prime Minister that Campaign 2000, in a report on child poverty, said that one out of six children in Canada lives in poverty; that internationally we look terrible. It is shameful. The U.K., France, Holland, Germany and many others are ahead of us. We are barely above the United States. Everyone in this country knows that the best way to give pride and dignity to these children is to ensure that their parents have work in Canada.

I want to ask the Prime Minister if he will have a program soon to make sure that the fathers and mothers of these children will have some work so that they can give bread and dignity to their children.

[*Translation*]

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I am surprised the Leader of the Opposition failed to mention important measures the government has taken, especially this year, aimed at Canada's children.

Since the beginning of 1982, the government has invested around $3 billion, which includes the child tax benefit and the $500 million earmarked for children at risk, plus a number of projects concerning drugs and the environment, probably the largest amount of money invested by a Canadian government in the kind of situation we have today.

I believe that child poverty is something Canadians should never condone and that it will require a commensurate effort on the part of all governments and all Canadians.

I believe that considering the economic situation, to which he himself referred, the Leader of the Opposition should remember that what the government has done for Canada's children was done responsibly as part of our responsibility for managing the affairs of this country.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, we had a debate in this House and the problem was examined by a committee, but none of the experts supported the government's point of view. The government has introduced a program that will give cheques to children during the first six months of the 1993 election year, but subsequently they will lose those benefits. Two years from now, they will be even worse off than they are today.

Instead of introducing these election gimmicks, could the minister perhaps talk to his colleagues and tell them that the best way to give these children some dignity and support is to ensure that their parents have jobs?

• (1420)

When will the government take the advice of the opposition, now supported by the New Democratic Party and even by the Bloc Quebecois, and introduce a program to finance infrastructures, with one third paid by the provinces, one third by the municipalities and one third by the federal government? This would put hundreds of people to work immediately.

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, the Leader of the Opposition said that giving an additional $500 to every low-income family in Canada, especially those earning $10,000 or more, was a political ploy and an election gimmick. I think that calling any assistance we give to children an election gimmick reflects a lack of class and an outlook that is absolutely deplorable.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, when the minister appeared before the committee, he met the experts and everyone agreed that this was not a solution, or should I say it was a purely political solution to try and win votes—which they will not get in any event—during the first six months of 1993.

Is the minister prepared to go back and set up a long term program instead of this vote-winning gimmick?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I will be very brief. The Leader of the Opposition may be concerned about the election, but I am concerned about the future of our children.

[*English*]

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

The sad reality in consequence of this government's economic policy is that the only growth has been in the number of poor in this country.

Today Campaign 2000 announced that this year it is expected that 900,000 children in this country will be on social assistance. This is a 200,000 increase in numbers since the 1988 election.

I would like to ask the Prime Minister: How can this government defend its economic policy when so many families have been left in poverty?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I can just repeat in English what I said in French. In the last year, in light of the economic reality we face, the Government of Canada put out $3 billion for the children of Canada. Of course if we had the capacity to put up more we would, but we have to consider, as he said, the economic reality. A government such as ours which is able under these circumstances to put up that much money for poor children and children at risk should be commended by the member.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, my supplementary is to the Prime Minister.

The Prime Minister knows full well that the problem of poverty is being created by his government's policies, that in fact the distribution of income between the rich and the poor is much worse since this government took power. There is now an unemployment rate of 30 per cent among families in poverty and 60 per cent in single parent families. When is this government going to present to the Canadian people an economic policy which will deal with this issue?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, as the Prime Minister said yesterday, in due course the government will make those announcements.

Some hon. members: Oh, oh.

Mr. Speaker: The hon. member has put his question and the minister is responding. I am sure the House will give the minister the courtesy to complete his answer.

Mr. Bouchard (Roberval): Once again, we are talking about poverty with children, families and so on. I listened to his question and I believe he should listen to the answer. It is fundamental to understand that in light of the realities we face. One of my friends said that we invented it. If we invented poverty for children, it was certainly not here in 1975 and 1981–82. Poverty is a fact of any society and as a government, as would any government in the world, we are trying to deal with that, but as a responsible government we have to take into account all our realities.

Once again, this government gave $3 billion to poor people and particularly to the children in this country. We also put $15 billion a year into different departments for children. It is not enough. It is never enough for the children of Canada. But it is what we have the capacity to do, and it is what we will continue to do.

* * *

POVERTY

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, the issue of child poverty in this country and poverty which is increasing is, I am sure, of concern to every Canadian because we are really talking about the future of Canada and the ability and investment in the future of Canada. With one in six children living in poverty, as the child poverty action group has said today, we have to realize that of course poor children have poor parents.

I would like to address my question to the Prime Minister. Last night the Prime Minister spoke of modernizing our social programs. Surely one of the best modern social programs would be to have a goal of full employment and economic policies which would address that goal. The Prime Minister was willing to commit to a goal of full employment in the recent constitutional document. I would like to ask him if he is willing to commit again today and to commit his government to pursue that goal of full employment and the policies that flow from that.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the policies that we pursue are designed to increase employment and to eliminate to the extent humanly possible the problem of unemployment. It is a problem that affects all industrialized societies and it causes great damage to the social fabric of any nation. It causes great disappointment to families and it diminishes opportunities for our young people.

That is why the government, and governments, along with the private sector and the unions and all political parties, must have as their highest priority the intent to create new economic opportunities that translate into durable jobs for Canadians. That is the objective of all of our government policies. This is exactly what we are seeking to do, without affecting inflation negatively, while attracting foreign investment and creating a climate wherein this can be possible.

Mr. Fontana: How come it's had the reverse effect?

Mr. Mulroney: My hon. friend has a seatmate making remarks. I do not think I would have any quarrel with the objective articulated by my hon. friend; where we may have some disagreements is how we achieve it.

Hon. Audrey McLaughlin (Yukon): A supplementary to the Prime Minister, Mr. Speaker.

The reality is that we are not achieving it. In 1988 the Prime Minister promised jobs, jobs, jobs, and unemployment went up; the government promised to reduce the debt and the debt went up; the government has promised to reduce poverty in this country and poverty has simply increased in this country.

I want to say to the Prime Minister that Canada needs action now, not promise. We need economic policies, not the same ones and staying the course with those that have failed, but new economic policies that really address what is needed for the majority of Canadian people who now are looking forward to a future in poverty.

I say to the Prime Minister that the fundamentals are not working. Will the Prime Minister address that, admit that, and change the economic direction of this government to meet the very real needs of those Canadians who are suffering as a result of the policies of this government?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the World Bank, the IMF and the OECD would disagree fundamentally with my hon. friend. It is their assessment that the fundamentals are working in Canada. They have stated that with an inflation rate of 1.3 per cent, Canada has now the lowest inflation rate in the industrialized world. They have stated as well that we will lead in terms of economic growth in the G-7 next year and that employment growth will be highest in Canada among any of the G-7 countries.

While we do have a serious problem, I think the general assessment around the world and nationally is that we have chosen the proper instruments to deal with it.

The alternative to what we are doing is printing money and spending borrowed money. If deficit financing and spending by governments were a solution, we would not have had the results that we had when the Liberals were there or when the Liberals were joined in a loose and affectionate alliance with the NDP. That did not work.

The fundamentals are in place and we hope to move it along even more.

• (1430)

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I have a supplementary question. The sad reality is that millions of Canadians are far more familiar with food banks than they are with the World Bank, and that is what we would like to change. We would like to see Canadians not so familiar with food banks.

[*Translation*]

In 1988, the Prime Minister said that the best social program was employment. He should tell that to his finance minister and the Governor of the Bank of Canada because yesterday interest rates rose again, which will raise the deficit and even more people will lose their jobs. The Conservative government's economic policies are undoubtedly a failure. Can the unemployed and welfare recipients find out what this government's alternative is?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I can only repeat some of what I said a few moments ago in English; that despite the difficulties that the governments of all industrialized countries—Great Britain, France, Japan, Germany, the United States—are going through, the International Monetary Fund, the World Bank and the OECD have concluded that the foundation is now in place for what we hope will be a lasting recovery in Canada in the coming months and years.

All the signs are both significant and encouraging for Canada. While I recognize the reality of the problem

raised by my friend, we must also admit that there are very encouraging signs for the future of Canada.

[*English*]

Hon. Herb Gray (Windsor West): Mr. Speaker, I have a question for the Minister of National Health and Welfare.

The Campaign 2000 report card on child poverty which has already been the subject of questions in this House today says with regard to the minister's new program, which includes an earned income supplement, "almost half of all poor families will receive no earning supplement in 1993".

In the light of this fact, how can the minister say that his program is doing anything worth while for poor families? Why will he not do something better to help poor children and their families all across this country?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, first of all I have not read the report. After I do, it will be easier for me to answer questions.

What I can say, however, is what we have always said about the tax benefit. We give $500 more per family to low income workers whose earnings average $10,000 to $20,000 as compared to those earning $50,000 to $60,000 a year. At that level there is a decreasing amount of money.

We continue to give more money than we did before. We consider factors such as the inflation rate, the cost of living and so on. These are applied to all families in Canada. For low income workers, the amount of money available today is greater than it was under the family allowance system.

Hon. Herb Gray (Windsor West): Mr. Speaker, the report also says that "it is estimated that only .7 per cent of single parent families will move above the poverty line due to this benefit in 1993 and only 1.6 per cent of poor couple families will do so".

The report says: "Moreover, these moderate increases will occur only if adequate jobs are available".

In light of the continuing desperately high levels of unemployment, more than 1.5 million people continue out of work and this government has done nothing to ensure that there will be adequate jobs, why has the government not come forward yet with a program to ensure that all Canadians have the jobs they require to provide a decent standard of living for themselves and their children?

[*Translation*]

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I never said that the program for children replaced the jobs that have always been the first objective for the government and all Canadians. It is very obvious that the government's first objective in our economic policies is to create jobs. These programs that we put in place help to mitigate the problems faced by poor children in particular.

Once again, I quite agree that the job creation efforts made by other departments remain the fundamental response to the problem of child poverty in Canada.

* * *

[*English*]

MONTREAL

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, almost one in five people in the city of Montreal are out of work. In this year alone 17,000 people have lost their jobs in manufacturing, 10,000 in retail and 9,000 more in the financial sector.

On top of these very sad unemployment statistics, today we learn that the city's bond credit rating has dropped from AA to A-plus.

Montreal is the economic heart and lungs of the province of Quebec. Why did the Minister of Finance let things get to this point and what action plan, if any, does he have to revive the economy of Montreal?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I understand the difficulties throughout the country. As I said yesterday, the Canadian economy is going through a difficult period because the world economy is going through a difficult period.

Markets are soft. Commodity prices are weak. There is a huge overhang and a burden of debt at the consumer, corporate and government levels. All of these things are having an effect on the slowness of the world economy.

It is expected that the G–7 countries will grow by something like 1.7 per cent this year. There has been an increase in the unemployment numbers in the G–7 countries of some five million over the last two years. That has had a direct impact upon the economy of Canada.

I remind the hon. member that notwithstanding all the difficulties, there are 12,240,000 Canadians who are working in this country. We would like to see fewer people unemployed. Some of the initiatives that were outlined by the Prime Minister last night are things that we are developing. We will build upon the budget initiatives we brought down in February which are indeed working and strengthening—

Mr. Speaker: Perhaps the minister will be able to expand on the supplemental.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, the 25 per cent unemployed in east end Montreal, Snowdon and Côte des Neiges are not going to get much comfort from those remarks.

[*Translation*]

According to data from the Quebec construction commission, the unemployment rate in that industry is about 50 per cent. Is the Minister of Finance prepared to announce immediately a program to rebuild infrastructure and renovate buildings in order to create jobs for these workers, as the Leader of the Opposition has already proposed, or will he wait until the unemployment rate is 100 per cent?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the Prime Minister has addressed some of the points made by the hon. member. I would be interested in knowing how she proposes to pay for this sort of infrastructure spending, recognizing that the focus in Canada is on its level of debt, the burden of debt, not only at the federal level but at the provincial level.

I remind the hon. member that the unemployment figures are going down, not going up. There has been an improvement of 64,000 new jobs created in the last six months. Eighty-three thousand new jobs have been created in September and October of a permanent nature. While it is a slow recovery, consistent with the recovery that is going on globally, it is nevertheless a recovery and it is moving in a progressive way and not in a negative way.

AIRLINE INDUSTRY

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my question is for the Minister of Transport. Yesterday in this House we talked about the devastation that is imminent in the airline industry because of the policies of the Conservative government and the former Liberal government on deregulation. Today I want to raise with the minister the devastation that the policy has brought to Atlantic Canada.

• (1440)

Canadian Pacific Railway announced this morning it is its intention to seek permission of the National Transportation Agency to rip up every single track of theirs from Sherbrooke, Quebec, to Saint John, New Brunswick, as well as all their tracks in Nova Scotia. Will the Minister of Transport use the government's authority under section 23 of the National Transportation Act and instruct the NTA to reject any request to abandon any main line track by any railroad anywhere in Canada? Will he do that to protect Atlantic Canada?

[*Translation*]

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, if I understand the hon. member correctly, he would have us take steps to make businesses lose even more money so that job losses might be even greater in a few months.

There is a procedure in place. CP Rail announced this morning its intention to submit a request to the National Transportation Agency to abandon theses lines. The agency will hear the representations from all sides, from the users and from government. Every citizen or group who wishes to made representations may do so by contacting the National Transportation agency. The agency will assess the situation and give a ruling in August 1993.

[*English*]

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I want to remind the minister and the House that the National Transportation Act says that transportation is recognized as a key to regional and economic development and commercial viability of transportation links is balanced with regional economic development objectives

in order that the potential economic strengths of each region may be realized.

Mayor Elsie Wayne of Saint John, New Brunswick agrees, the Atlantic Provinces Transportation Commission agrees and, perhaps, even the Prime Minister in his pledge last night to rebuild the transportation infrastructure might agree.

Will the minister protect Saint John, New Brunswick, and the rest of Atlantic Canada from lack of competition and ensure that CP will continue to operate one way or the other?

[*Translation*]

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, when the National Transportation Act was passed in 1987, it provided for a committee review of its content and impact. A committee was struck and is expected to table its report by January 31, 1993. Proposals will be made to ensure that this government's objectives, which are essential to our national economy, are reached and revisited.

* * *

[*English*]

DRUGS AND PHARMACEUTICALS

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

When this government announced its intention to scrap compulsory licensing it said the cost to Canadian consumers would only be $29 million a year. Yesterday the minister's own officials revised that figure to $129 million a year and *The New York Times* yesterday pegged the extra cost to Canadian consumers at over $400 million per year.

Why is this minister intentionally confusing Canadians with phoney figures on the true cost of the elimination of compulsory licensing?

Mr. Speaker: I am not accepting that kind of a question. Why was this minister intentionally confusing Canadians? That is a clear allegation of lack of honesty and I do not think we need that. I am going to ask the hon. member to withdraw his remark.

Mr. MacDonald (Dartmouth): Mr. Speaker, I withdraw the remark and ask the minister—

Mr. Speaker: Just a moment. I accept and I thank the hon. member for withdrawing. Perhaps the hon. member could complete his question.

Mr. MacDonald (Dartmouth): Mr. Speaker, will the minister now stand and tell Canadian consumers why there is confusion over the various costs to consumers by the elimination of compulsory licensing. Could he tell us why there have been different figures from his own lips and those of his departmental officials?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I think I answered that question last spring for the same member.

We said at the time that the savings made by the compulsory licence system represented $300 million a year. However, in terms of the patent drugs covered by Bill C–91, it will be about $75 million because two–thirds to three–quarters of all drugs covered are non–patent drugs. If the $75 million is divided by two, because 50 per cent of the costs are covered by the health plan at the provincial level, it represents, as I said at the time, about $35 million to $40 million a year. I stand by the same figures today.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I sort of thank the minister for that clarification.

My supplementary question is again to the minister of industry. In a letter dated October 29 the provincial ministers of health universally reaffirmed their opposition to the elimination of compulsory licensing. However, in contrast yesterday *The New York Times* reported that the president of the huge U.S. drug lobby fully supports this government's plan to do away with its system of drug price controls.

Why is it that this government refuses to listen to the unanimous pleas from Canada's health ministers, yet continues to respond on command to the wishes of the huge U.S. multinational drug lobby?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I think my colleague, the minister of health, has responded to the misconceptions that my hon. friend had on the price impact.

As I stated in the House yesterday in my speech on Bill C–91, the reason we are proceeding on this bill is because it is creating jobs and new investment, high–priced jobs and investment in research and development by companies in hospitals, universities and in medical institutions right across the country.

It is these value-added jobs which my friends opposite in the Liberal Party and the New Democratic Party are appealing to this government to help to create. Then when we introduce some legislation that clearly is leading to the creation of this investment in these high value-added jobs, my hon. friend says that is the wrong way to go. You cannot have it both ways.

* * *

AIRLINE INDUSTRY

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, after listening to the exchanges in Question Period I am reminded of what the Prime Minister said when he was first elected, that after eight years we would never recognize Canada. He is right. It is in total collapse.

I want to ask the Minister of Transport about an another calamity that he is responsible for. Yesterday in this House the minister said that he supported and endorsed the efforts of the employees of Canadian Airlines to rescue their jobs. Today he is now reported as saying he has changed his mind, that he is now looking at a merger proposal.

I ask the Minister of Transport: What is the government plan? It is too late to be playing mental ping-pong with the lives and jobs of thousands of Canadians in the airline industry. Within the next 24 hours, will the government put forward its blueprint so that we can save this industry and save the jobs and have something to defend in this country when we take over this government?

[*Translation*]

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I protest vigorously against the allegation made by the other side to the effect that we had a change of heart or that I would have said that we had undertaken some other process. It is absolutely untrue. We are still looking at ways for the government to reconcile fiscal constraints with its desire to support the efforts of the Canadian Airlines employees in the best interest of the people of Canada.

[*English*]

Mr. Stan Keyes (Hamilton West): Mr. Speaker, the minister's inaction makes a mockery of the dedicated employees of Canadian Airlines, the management and the unions who have put together a workable positive approach to saving their company, saving their jobs.

It is five minutes to midnight on this issue. Will the minister quit stalling and announce that he will back the employee-led package? Yes or no?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, we have repeated many times that we are interested in this package provided that it meets the financial constraints of this country.

I again invite the Liberal Party to tell us at what price, to what amount it is prepared to expose the Canadian taxpayers to effect a settlement of this situation.

* * *

• (1450)

PROSPERITY INITIATIVE

Mr. Doug Fee (Red Deer): Mr. Speaker, I have a question for the Minister of Industry, Science and Technology and for International Trade.

At the end of October the minister received the conclusions of a year-long, nation-wide study on prosperity. My question to the minister is where do we go from here? So far there does not appear to be a lot of action coming out of the report and several of my constituents have expressed concern about the amount of money that was spent on the study.

Can the minister give us assurances that Canadians are going to get value for the money spent on the prosperity initiative?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, very clearly Canadians will see that they will really get value for money on this consultation. It involved meetings with 186 communities right across the country. Out of that has come an action plan from the private sector steering group which recommended a number of things that the Prime Minister referred to in his remarks last night, proposals relating to training, a partnership among business, labour and government to

provide investment in the training possibilities for Canadian citizens, the work that needs to be done to increase our research and development effort, to increase our trade effort internationally, to rebuild the infrastructure in this country.

As these proposals get fleshed out, I think my hon. friend and his constituents will see that there really is going to be value for money here.

* * *

FOOD INDUSTRY

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, my question is addressed to the Minister of Agriculture or to whomever is speaking on behalf of the Minister of Agriculture.

On Friday the minister announced measures to largely deregulate the food industry, to shift responsibility for food safety and quality from government inspectors to industry itself.

Does this government not understand that there are limits to deregulation? Does it not even understand that it is the government's not industry's responsibility to make sure that Canadians do not eat bad meat, rotten eggs or contaminated poultry?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, it is unfortunate that the president of the Public Service Alliance had to panic so much at the announcement made last Friday. Mr. Speaker, you will remember that when the budget was tabled, the Minister of Finance said three departments would review the regulations to ensure they meet the needs of a modern and competitive Canada.

Public health is not in danger here. Most of the recommendations in the report are not related to health or salubrity. They affect the classification and certification of exports. I think my colleague should join me in reassuring Canadian consumers and reaffirming there are no health hazards.

[*English*]

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, we know what competition means. We know that it has meant C-91 and that it was supposed to have had no influence on health. Now we are hearing that inspectors will look and see what industry thinks after industry has done the job.

My supplementary is addressed to the Minister for International Trade. My question to him is quite simple: Will the minister admit that the North American free trade agreement provides for the harmonization toward an international standard for food quality that is lower than Canada's standards, that these deregulatory changes I asked about a moment ago are a part of that and that Canadians could very well face increased importation and availability on the market, for example, of chemically contaminated foods in increasing amounts from Mexico and the United States?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I am pleased that my hon. friend has asked me that question. I would like to refer him to the parts of the North American free trade agreement that he clearly has not read. There are specific provisions in the agreement which allow each country to set its own standards. They specifically allow those standards to be set above international norms precisely according to the desires of the country involved and has nothing to do with what the other two countries in the North American free trade area might want to have for themselves.

If my hon. friend would quit blowing off his mouth and listen—

Mr. Speaker: The hon. member for Regina—Wascana.

* * *

TAXATION

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, my question concerns the current practice of Revenue Canada wherein court ordered child support payments are considered a tax deduction for the non-custodial parent and taxable income for the custodial parent. This places an added burden on the custodial parent and at the same time creates a more favourable financial situation for the other parent.

Could the minister advise the House whether or not the government intends to address this apparent inequity?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, the hon. member raises a very important question, an issue with which I am very familiar.

He knows as well that this matter is currently before the courts and it would be inappropriate for me to make any specific comments in that regard except to say that I am prepared to look at the situation after the courts have dealt with it to continue the government's practice of bringing even greater fairness to the tax system.

* * *

[*Translation*]

AIRLINE INDUSTRY

Hon. Lucien Bouchard (Lac–Saint–Jean): Mr. Speaker, my question is for the Minister of Transport. The minister suggested that he is about to use public funds to put Canadian Airlines on an artificial respirator. But he knows full well that the airline is in dire straits and no band–aid, however costly, can put it back on its feet. Can government not see that by throwing good money its way, it is only prolonging Canadian Airlines' agony? Does government plan to continue squandering public funds instead of applying it toward genuine economic recovery?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I think there is nothing further from the truth than saying that government committed funds. Government committed to look for, in partnership, a solution that would take into account its fiscal constraints, recognize the major role the company's employees are willing to play in finding a viable solution that would ensure the viability of the aeronautical industry and the airline industry for years to come while being in the best interest of the people of Canada.

Hon. Lucien Bouchard (Lac–Saint–Jean): Mr. Speaker, this kind of verbal covering–up is not helpful. Either there will be money and guarantees or there will not. It is well known that the usual means of intervention of government are guarantees or money. The minister knows full well that our domestic market cannot support two national airlines. The Montreal coalition also warned him that any public funds he may spend on Canadian Airlines are likely to compromise directly Air Canada's survival. Then we will have two lame ducks instead of one. How can the minister not be aware of the fact that he is destroying the Canadian transportation industry while striking a terrible blow to Montreal's economy at the same time?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, it might be important for the hon. member for Lac–Saint–Jean to clarify whether he supports competition in the area of air transportation and whether he agrees that air carriers and the air transportation industry should be viable and serve the general interest of all Canadians. That is what we are trying to do, considering there are a great many jobs at stake. That is why we insist that it be in the best interest of the Canadian people.

* * *

[*English*]

FISHERIES

Mrs. Coline Campbell (South West Nova): Mr. Speaker, my question is for the Minister of Fisheries.

Has the minister now allowed licence holders of ITQs, either companies or fishermen, to buy and receive permanent quota transfers of fish from inshore fishermen in the Scotia–Fundy area?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I will have to check on that particular point to see exactly what the answer is. I cannot recall undertaking this action myself, but I will have to see whether the department has.

Mrs. Coline Campbell (South West Nova): Mr. Speaker, assuming that the minister is not informed of what his department has done, it has sent out a form to allow such permanent transfers.

Does this not mean in the minister's opinion that the Scotia–Fundy area of fish could ultimately be caught by fishermen from another area or province and then landed in another area or province, therefore leaving communities in South West Nova without access to the fish and certainly without the jobs? In other words, whoever has the money can buy that quota and have the fish to catch and process somewhere else outside that area in Nova Scotia.

• (1500)

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, fisheries in Canada is under federal jurisdiction. We do not have protectionist measures in effect to prevent the fish being caught from moving from one province to another.

I understand what the hon. member is concerned about. She wants naturally to protect the fishermen in her own area. But to get the full answer for the hon. member, I will have to check with the department. She does not need to fear. No one is going to discriminate against Scotia–Fundy. We act equally and fairly with respect to all areas in the fishery.

* * *

CANADIAN WHEAT BOARD

Mr. John Harvard (Winnipeg—St. James): Mr. Speaker, my question is for the minister speaking for agriculture today. It has to do with the study and possible removal of barley from the jurisdiction of the Canadian Wheat Board.

Now we know that the minister responsible for grains does not like the Canadian Wheat Board. We also know that he is a great fan of the multinationals which would love to undermine the Canadian Wheat Board. But the fact of the matter is that not one major farm organization in Canada supports this kind of move, not the CFA, not Prairie Pools and not even the Canadian Wheat Board. In fact the chairman of the Canadian Wheat Board has said this: "This continental barley market is like wanting to be married and single at the same time".

Mr. Speaker: The hon. member is making a very strong case. I would like him to put his question.

Mr. Harvard: Mr. Speaker, all I want to know is where does this nonsense come from? How would he support this kind of study?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, my colleagues, the Minister of Agriculture and the Minister of State for Grains and Oilseeds, are in Toronto consulting our provincial colleagues on the future of the Canadian farm industry. They are working very hard on these issues.

I will report the hon. member's comments to my colleague, the Minister of State for Grains and Oilseeds, and see if they can be useful.

CANADA LABOUR CODE

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is for the minister of Labour.

For months now, a number of Canadian women have been waiting for the federal government to include the protective reassignment of working women in the Canada Labour Code.

Can the minister describe the progress made towards the protective reassignment of pregnant women in the federal Public Service?

Hon. Marcel Danis (Minister of Labour): Mr. Speaker, I want to assure my colleague from Abitibi that the cabinet has in fact approved the bill on that issue, which I intend to table very soon. The bill will bring several amendments to Part III of the Canada Labour Code, including provisions concerning the reassignment of pregnant women.

I want to congratulate the hon. member for his work on that issue. I am sure women in his riding will vote for him in the next election.

* * *

[*English*]

THE LATE PAUL MCRAE

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, thank you for this privilege this afternoon to be able to make some remarks in memory of a great citizen of northern Ontario, one of our finest citizens and a respected—

Mr. Speaker: The hon. member has risen to pay tribute to a former member of this House. I am sure that perhaps some members did not realize the occasion that we are now in. I am sure that for the remainder the hon. member will have the attention of the House.

Mr. Comuzzi: Thank you Mr. Speaker for intervening on this matter. I would like to rise to make some comments today about a former parliamentarian, Paul McRae, who passed away recently in Ottawa.

Prior to Mr. McRae's election to this House, he served with distinction as an educator in Thunder Bay and retired as a high school principal. I believe Sir Winston Churchill was the school he last was a principal at. He succeeded a very fine parliamentarian in his own right, the late Mr. Hubert Badanai, who served in this House

for many years. I think Mr. McRae had a difficult job in succeeding a person of Mr. Badanai's stature from Thunder Bay, but to his credit Paul did his job very well.

He was a very effective parliamentarian, not only for his riding of Thunder Bay—Atikokan, but he was an effective member for all of northwestern Ontario. He always dealt with great sincerity about the feelings and the viewpoints of the people of the north and considered everyone's concerns in northern Ontario to be his own responsibility.

On a personal note, it was my honour to have known Paul McRae prior to his becoming a member of this House, during the time he was a member of this House and after his membership in this House when he became a valued member of the CRTC here in Ottawa.

The very first call I got from Ottawa after my election some four years ago was a call from Paul asking if he could do anything in any way to assist me in the transition from Thunder Bay to Ottawa.

Through your leadership, Mr. Speaker, I am sure all members of this House would like to join with me and the Liberal Party in offering our sincere sympathy and our condolences to his wife and his family.

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, on behalf of my party I would like to associate myself with the words of my friend, the member for Thunder Bay.

Paul McRae came into this House in 1972 along with many of us. We were class-mates in that sense. He had been a teacher, as has been mentioned, and as the member for Provencher, the so-called first western riding, Thunder Bay was literally in our back door. We were neighbours.

Mr. McRae served very faithfully in this House up until 1984. He served on many committees including transport, national resources and communications. He was parliamentary secretary to a post we had then known as the Postmaster General and more laterally as parliamentary secretary to the Minister of National Health and Welfare. He was also appointed to the CRTC.

I take it that one has a slightly different view of a colleague from across the way. Paul McRae was one of those members willing to heed his party's call and if there was a speech to be made Paul was one of those who would make that speech; at least that is the way it appeared to us at all times.

I have described him as a happy warrior. I think that is what he was in this House. He represented his riding well. On behalf of my party, we would like to associate ourselves and express our condolences to the family.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I now represent the constituency Paul McRae represented so well for 12 years; first as the riding of Fort William and then, after redistribution, Thunder Bay—Atikokan.

I knew Paul as a political competitor and we ran against each other for the job that he held on two occasions. I can remember on the night of the 1980 election two of us arrived at CKPR television together literally shaking our heads in amazement because we had come so close, with 84 votes between the two of us, neither of us really knowing who was going to come out the winner that night.

Paul did and he served his constituents and this House very well. As the minister just said, he was very active on committees, particularly transport, because like a lot of us from Thunder Bay he recognized the importance of transportation to our region and its viability.

He was more than just a transport person or parliamentary secretary. He was very active in the Parliamentarians for Global Action. He was very strong in terms of his party for the call to end the cruise missile testing and on a number of occasions Paul did break ranks with the government of the day to let people know how he felt.

In addition to politics I knew Paul in a number of other ways. He was my high school vice-principal and I can remember working with him and the late Bob Cato, arranging dances at the high school. I remember being sent out one day to hire Neil Young and the Squires, now Crosby, Stills, Young and Nash.

• (1510)

I also worked with Paul when he was the principal of Sir Winston Churchill when I was a community development officer working with that neighbourhood to bring in some social change, some social action. I remember being at his house in Vickers Heights one night when he was part of the Lakehead social planning council. I

cannot remember what the issue was but Paul was front and centre in that as he was in many other things.

One other memory I have, and it is not mine but from my predecessors in the region, is the fact that Paul McRae once was a CCFer. He ran for the CCF in Rainy River before 1972. I do remember being at the public meeting where Paul indicated that he felt it was time to make a change and he felt he could do more from within, as opposed to being a member of the opposition, and he lived up to that. He worked hard, he worked for the things he believed in, he worked hard for his constituents. I know that in addition to Yvonne, his wife, David, his son, and David's family, all of us in this House and in Thunder Bay will miss Paul.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I will not take a long time but I would just like to add one further comment about Paul McRae's work as a parliamentarian.

Some very fine words have been spoken so far to describe his work as a constituency person and someone who was deeply interested in the issues of northern Ontario and of Canada. I would like to talk about my own experience with Paul from the time I began to serve with him in 1979 as someone who was that special breed of parliamentarian who took an interest in the world outside.

He became very active, as the last member of Parliament said, in Parliamentarians for Global Action. He was one of the most knowledgeable and informed members of Parliament on questions of nuclear disarmament, arms control and north-south issues. He put his energy and time and interest, not just in terms of what was happening to his own constituents, but he had a much broader constituency he felt he had to serve and that was people around the world who felt that they were being threatened or victimized. Something that deserves recognition in this House is the fact that even after he left the House and served at the CRTC, I can remember on virtually a weekly basis getting notes from him or articles or comments about various matters dealing with international affairs, particularly his really strong commitment to try to end the scourge of nuclear war in this world.

For that reason I will have a special memory of Paul McRae.

Mr. Maurice Foster (Algoma): Mr. Speaker, I want to join with members of the House in paying tribute to Paul McRae who served in this House for many years. Paul, as you know, was a member from Thunder Bay—Atikokan, a member of our northern Ontario caucus for a number of years.

As the hon. member from Winnipeg has just said, Paul liked to be involved in more global issues and issues that went beyond his own constituency. I think we all recognize that and it was especially refreshing because sometimes we do tend to get bogged down in all the nitty-gritty and the problems of our own constituency.

His wife Yvonne was from Manitoulin Island originally in my constituency and Paul actually taught school in Mindemoya. Paul had a great interest in the wide scope of issues of northern Ontario and of the country. When he left the House of Commons he served in the CRTC for a number of years. He always had that ability to put forward an alternative view. He did not always agree with the majority and that was very refreshing in the House of Commons. Some of those in the cabinet on the government side back in those days may not have found it as refreshing, but he had that special ability to look at the alternative view.

I want to join with members of the House in paying tribute to Paul and extending our condolences to his wife Yvonne and to his son David and his family.

Mr. Speaker: I do not usually do this, but I knew Paul McRae very well. I have been much affected, as I think members on both sides of the House have been, with the comments that have been made concerning our colleague. I found that Paul McCrae was one of the most idealistic men I ever knew and he had no apologies for it. He was not always easy to get along with, I suppose, because he reminded us of the distinction between right and wrong.

I remember once when the government of the day felt it had to take very strong measures with respect to energy resources and conservation. The then minister was the Hon. Donald Macdonald. I notice my colleague, the Hon. Minister of Energy, Mines and Resources, who, like so many of us, was elected at the same time many years ago, is smiling because he probably remembers this.

There was a section in the act which gave Draconian measures to the government with respect to overriding any environmental laws, whether at the municipal or provincial level. I knew that Paul was deeply concerned about that and deeply concerned as to whether it was necessary. He and I worked together. I was a member of the opposition and a brand new member of the House. He arranged a meeting with himself, myself and the Hon. Donald Macdonald and officials. Very quietly he set out the reasons why he felt that particular section of the bill was not necessary. What is more, he pointed out that it went in a bad direction.

The Hon. Donald Macdonald listened. He and his officials discussed the matter further with Paul and myself and in one day the department came back, led by the minister, and said it agreed and would change it.

Sometimes people say that politicians do not make any difference. The right kind of politicians do make a difference.

That is just one story and there are others.

He made a difference and he was our friend and I am deeply conscious of the fact that he made a contribution to Canada which was important and a long way from being ordinary.

I hope his family will accept our condolences and our remarks of respect and affection for a very fine man.

Some hon. members: Hear, hear.

GOVERNMENT ORDERS

[*English*]

PATENT ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Blais that Bill C-91, an act to amend the Patent Act, to amend another act in consequence thereof and to provide for other related matters, be read the second time and referred to a legislative committee in the Departmental envelope.

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, Canada's seniors need effective and affordable medicines. There are critics who do not want Canada to give the same protection to pharmaceutical patents as every other advanced industrial country.

They are not interested in attracting new investment or creating new jobs in this country. They do not want a strong and innovative pharmaceutical industry to grow on Canadian soil. They have used fear in their campaign against Bill C-91. They have attempted to frighten senior citizens with tales of spiralling drug costs and a collapse of the health care system in this country should the legislation be passed.

• (1520)

I think it is time to put an end to all this fear-mongering. Let us look at the facts. First, all pharmaceutical products account for only a small percentage of total health care costs in this country. Second, patented drugs account for less than half the costs of these pharmaceutical products or about 3 per cent of all Canadian health care costs at the retail level. Third, the net effect of the legislation will be to extend patent protection for an average of only about three years. The best estimates currently available suggest that this legislation will have no near-term impact on patented drug costs. Over the longer term, that is by the end of the decade, it is estimated that the additional costs incurred under this new policy will represent about 2 per cent of the value of purchases of prescription and behind-the-counter drugs by pharmacies and hospitals.

Indeed, the cumulative total increased cost of purchases of patented drugs by pharmacies and hospitals due to the elimination of compulsory licensing as a result of Bill C-91 over the next four-year period is estimated to be about $1 per Canadian per year or less than one-twentieth of one per cent of the total health care bill in Canada. That is hardly enough to bring down the Canadian health care system.

Let us not forget it is the ability to develop new and more effective medicines and treatments that is the best hope for keeping health care costs in line.

Research has shown that new drug treatments can actually save on over-all health care costs by reducing

the need for far more expensive treatments involving surgery or hospitalization.

Bill C-91 is good for Canada's seniors and it is good for all Canadians. It will keep the cost of patented medicines in line. It will encourage the search for new and more effective medicines. It will attract investment and create jobs in the knowledge-intensive industrial sector.

Bill C-91 is a balanced piece of legislation that will ensure that effective medicines remain available to all Canadians who need them. It therefore deserves the support of the members of this House and a speedy passage through Parliament.

Mr. John Harvard (Winnipeg—St. James): Mr. Speaker, this government which has now been in power for eight years has reached many lows, but with Bill C-91 that is now before us, this government has reached, yes, yet again, another very, very low in its administration of this country in the last eight years.

Bill C-91 has been worsened by the government moving time allocation, a means of closure. Here we have an important bill that is going to affect our elderly people, our seniors, taxpayers, insurance plans of one kind or another in all the provinces of the country and yet this government has the unmitigated gall, the nerve to move closure after having only a few hours of debate. I consider this a shameful and dastardly act.

This kind of major legislation affects hundreds of thousands of people, especially the elderly and of course all taxpayers in the country, reaching millions of people. I really do not think that this government has the mandate to move this kind of legislation. It simply does not have the mandate. Here is a government that is now beginning its fifth year in office. We have a government that has been down in the polls at 15 per cent, 16 per cent and 17 per cent for more than two years and yet this government believes, or at least it is pretending to believe, that it has the right and the mandate to bring in and to impose this kind of legislation on Canadians and again imposing it on elderly people, some of whom are the most vulnerable in our country. I say that this government does not have the mandate to bring forward this kind of legislation. If it had any decency whatsoever it would hold back this kind of legislation until after the next election so that the people of Canada could offer some comment.

But, no. This government shows again its arrogance and the fact that it is totally and completely out of touch with the Canadian people. It also shows that these people who constitute the current government will do anything to satisfy their big business friends, especially their big business friends from the United States. I know darn well that Canadians are not supporting them on this issue. Canadians do not support them.

It is the height of arrogance for the government to bring forward this kind of legislation so late in the day, when it is entering its fifth year. Instead of debating issues of this kind in the House, we should be out on the hustings in the midst of an election campaign.

Let us point out that we have model legislation that goes back over 20 years in this country, going back to the late 1960s. We have, under our compulsory licensing system, perhaps one of the most advanced forms of controlling prices of any country in the world and yet this government is prepared to tear that down.

We know, for example, that if we compare our prices of drugs with prices in the United States that we are enjoying a huge advantage. If you compare prices of brand name drugs in the United States with the prices of brand name drugs in Canada, we are talking savings on this side of the border in excess of 30 per cent. However, if you take into account our generic prices, if you compare brand name prices in the United States with prices of generic drugs in Canada, you are not talking savings on this side of the border of 30 per cent or 40 per cent or 50 per cent. You are now talking savings of 60 per cent. This government is prepared to throw that all away.

Let me remind you, Mr. Speaker, that the Eastman commission in 1983 showed that since the inception of compulsory licensing between the late 1960s and the early 1980s Canadian taxpayers, because of compulsory licensing, saved well over $200 million. We are not talking 1990s prices, we are talking 1960s prices and 1970s prices. Canadians saved well over $200 million. We are talking in the neighbourhood of a quarter of a billion dollars. That is what this government wants to throw away. I do not think Canadians want that thrown away at all, but this government does.

For a government to bring in this kind of legislation it has to have some credibility because it is taking a major step. People have to believe that the government is doing the right thing. The people of Canada will only believe if the government has some kind of track record. Sadly, this government has a terrible track record when it comes to keeping promises. It has talked for eight years about just getting government out of the way, leaving it to the big boys, leaving it to the marketplace. Out of that process, out of that neo-conservative economics, the

goods would just flow down on us from heaven. Some people refer to it as the trickle down theory.

• (1530)

Well, it has not worked. We have gone from bad to worse. The trickle down theory does not work. Neo-conservatism does not work. We have looked at Thatcherism in England and it is wanting. We have looked at the United States and what has happened under Reagan. Look what happened under Bush. It went from bad to worse. The United States of America went from the greatest creditor nation to the greatest debtor nation in a mere eight years of Reaganomics.

Yet, this is what the government is saying. Despite all the woes and despite all the failures of neo-conservative economics, we want more. Just get the government out of the road and leave it to the big boys, in this case to those big pharmaceutical companies. Happy days are going to be here again. We know that is not the truth. That is a crock.

The government said some time ago that it was not going to cost a lot of extra money. After all, we were going to get some new research and new development and we would get jobs and any little increase in the prices of drugs would be offset by this renewed economic activity, especially in the province of Quebec. The cost was going to be about $29 million or something like that. Just yesterday we got an estimate from *The New York Times* that the cost is not going to be $29 million; it is going to be in the neighbourhood of $500 million.

The headline in *The Globe and Mail* states: "Drug law cost set in the billions". Here is the headline from *The Ottawa Citizen* of today: "A bitter pill. Drug bill will cost Canadians an extra $550 million by the year 2000". Can you imagine? Yet, we are supposed to swallow this pill because it is good for the friends of the Progressive Conservative Government of Canada.

There is a higher calling than the Conservative Party of Canada. That higher calling is the country and the people of Canada and they do not want this Bill C-91 because they do not want to pay higher drug costs, which is exactly what is going to happen if Bill C-91 is passed.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I would like to point out that no applause is allowed from the gallery.

[*English*]

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 Notre-Dame-de-Grâce—Domestic Worker Program; the hon. member for St. Boniface—Unemployment; the hon. member for Prince George—Bulkley Valley—Softwood Lumber; the hon. member for Burin—St. George's—Westray Coal Mine; and the hon. member for York West—Drug abuse.

[*Translation*]

Mrs. Monique Tardif (Parliamentary Secretary to Solicitor General of Canada): Mr. Speaker, I welcome this opportunity to rise in the House today on second reading of Bill C-91, an act to amend the Patent Act.

The government tabled its bill in the House on June 23, and on September 17, a little over two months ago, the debate started on second reading. It is now time to continue the process of adopting this important bill and give our country legislation that is in line with the latest patent legislation for pharmaceutical products and reflects the most advanced provisions in this field.

Today I simply want to give an overview of a bill with which hon. members are already familiar. There are certain basic questions I will try to answer: What kind of amendments are we proposing to the Patent Act? What will be the fundamental advantages of this new legislation? Will the Canadian public also benefit as a result of these amendments? How will these amendments put us in a better position to meet current challenges in the pharmaceutical industry, on Canadian and global markets?

Reasons for reinforcing the Patent Act include promoting investment in an advanced technology industry and making Canada more competitive on the international scene in a sector where competition is intense.

By eliminating compulsory licensing, Canada will bring its patent system more in line with that of its main trading partners. From now on, patent holders will be guaranteed exclusive protection on the market until the patent expires, in other words, for a period of 20 years. This is the same period granted patent holders in all other economic sectors.

The proposed legislation will encourage Canadians to develop new drugs in Canada, with the added benefit of reducing health care costs in the long term. I may recall that innovators, universities and research institutes have discovered or developed several new drugs in this country, including treatments for cancer, Parkinson's disease and diabetes.

Last year, the innovative sector in the pharmaceutical industry spent $84 million on research in universities and hospitals. In a region like the riding I represent, for instance, the presence of a university is a major economic factor. Universities contribute to the intellectual, social and economic development of a region.

Since 1987, the last time the government improved patent protection for brand-name drugs, the industry, which has already nearly 18,000 employees, created 2,400 new and highly specialized jobs for Canadian scientists and researchers.

In 1987, the innovative sector promised to double its R and D-sales ratio by 1996 if the government reinforced patent protection. By 1991, the industry had practically reached that objective, five years ahead of schedule, and also announced that it would make additional investments.

Since the government announced last January that it would eliminate compulsory licensing, innovative companies indicated their intention of investing an additional $500 million in this country; $90 million worth of additional projects were announced, to be directed to the regions away from central Canada between 1992 and 1996.

In Canada, more than 26 per cent of research and development consists of basic research on pharmaceutical products. This percentage represents a ratio comparable with the situation in other industrialized countries. Between 1987 and 1991, the innovative sector spent about $1.1 billion on research and development. Between 1988 and 1991, investment in basic research rose from $30.3 million to $94.2 million.

On June 19, 1992, Statistics Canada announced that between 1988 and 1992, the pharmaceutical industry recorded the highest growth rate—113 per cent—of all Canadian industries for R and D spending.

Major international innovators have already decided to grant new exclusive contracts to their Canadian plants. New spending on research and development, new scientific and technical jobs, spin-offs for other sectors and increased export sales are many factors that can be expected to improve Canada's competitive position on the international scene.

With the elimination of compulsory licensing, costs of purchases by pharmacies and hospitals of prescription and behind-the-counter drugs should not increase during the first year. Future increases should not exceed 2 per cent of purchase costs by the year 2000. On the other hand, we must stress this point. The increase in research leading to the development of new and more effective drugs could very well reduce health care costs in Canada, if they are combined with better management practices. The federal and provincial health departments have agreed on this issue and they are committed to working together toward that goal.

• (1540)

The generic drug industry, which employs some 2,300 people in Canada, will have to put up with a waiting period of about three years. But under the licences issued before December 20, 1991, generic drug companies will be allowed to carry on their activities and market their products. They will also be allowed to start developing a product before the patent expires. This will reduce the delay in introducing these products on the market. In proceeding in this fashion, the government creates a climate for generic drug companies similar to the one that exists in the other industrialized countries.

Bill C-91 also gives new powers to the Patented Medicine Prices Review Board, which was set up in 1987. The objective is to enable the board to make sure that the prices of new and existing patented drugs are not excessive.

These new powers will enable the board to influence more effectively the entry level pricing of new patented drugs. They will allow the board to order lower prices or to impose fines to compensate for previous prices deemed too high, thus deterring companies from abusive pricing. Finally, these new powers will give the orders issued by the board the same authority that a Federal Court order has. It must be said that since it was created, the board has been successful in keeping increases in the prices of patented drugs below the increases in the Consumer Price Index.

In proposing these amendments to the Patent Act, the Government of Canada is making its legislation match that of the other countries, which is a good thing. It promotes investments in our country and encourages companies to increase their R & D activities. It also creates new jobs for scientists and technicians, while ensuring that all Canadians can obtain at reasonable prices the patented drugs they need.

[*English*]

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, this is outrageous legislation for two reasons. First, it furthers the attack, which was mentioned earlier, coming from a neo-conservative ideology on the Canadian structure of social support and social justice at the behest of foreign, alien standards for community economic and social conduct. This is the response to the free trade agreement and NAFTA. Second, it is an attack on democracy.

I expected to be able to speak for 20 minutes, but I cannot because this government once more has abused democracy.

This is contentious legislation. We are going to hear statistics bandied about in these chambers that are in complete contradiction of one another. For no other reason than that, this government should not have imposed limits on this debate.

We also know that this government is not only going to limit debate in this Chamber, it is going to make sure that nobody will have an adequate chance to know what it is doing and therefore will not have an adequate chance to have their voices heard.

This is about the abandonment of compulsory licensing. Very briefly we ought to say what that is all about. Compulsory licensing was introduced in 1969 at a time when Canadian drug prices were the highest in the world. It was said that patented drugs must be licensed for manufacture by generic companies, but not for nothing.

This government would have you believe that the generic companies were stealing the drugs, but in fact, just as a singer or a musician or a composer is paid royalties on their intellectual property, so are the patented drug manufacturers paid a royalty on those drugs. They profited by virtue of the existence of generics to a significant degree, just as Canadians profited by having an arrangement that ensured that our health care in this country would be affordable.

That is one thing the Americans do not have and it is one thing the Americans do not want us to have. The next step will not be another Bill C-22 or Bill C-91, it will be to eliminate any provisions that would limit the price of drugs. Perhaps when they have us hooked to another free trade deal, we will ban medicare altogether.

When Bill C-22 was introduced in 1987 we were told that there would be vast increases in research investment; that there would be vast increases in the number of jobs and that drug prices would not go up.

What happened? We are going to hear the government people saying that the amount of money or the percentage of sales devoted to research and development by members of the PMAC went from about 5 per cent to a little over 9.5 per cent in the interval, between 1987 and now.

Nobody mentions the fact that between 1980 and 1983, the percentage of sales invested in R and D doubled. It doubled without Bill C-22, it also doubled without Bill C-91.

Nobody on that side mentions that after 1985, in preparation for the introduction of Bill C-22, the drug companies managed to diminish the proportion of their sales invested in research to the lowest level in this decade in order to say afterward that they had increased their investments in R and D.

The patent and drug manufacturers do not put as much into research as do the generic manufacturers and 9.7 per cent of sales is a long way from the 16 per cent of sales which is invested in R and D in the United States. The amount that goes into basic research in Canada is still on a percentage basis only half what goes in down in the United States. The R and D that goes on in Canada is in the vast majority still clinical testing.

We do not have and are unlikely to have a patent drug industry that puts huge amounts of money into research and development so that management, research and development, production and sales are centred in Canada.

They told us that they were going to increase the number of scientific and highly-trained technical jobs by 3,000. Here one finds oneself immersed in a morass of statistics. According to the drug companies' statistics, 1,386 new jobs were produced. Two-thirds of those jobs were in administration and in sales. What is irreconcilable with that is the evidence gleaned from other sources which indicates that 850 production jobs were lost in the drug industry in which we are supposed to have 3,000 new jobs for scientists and technicians. It did not happen.

With respect to the promise that the prices of drugs would not go up, well, we know the evidence. We know that 40 per cent of new drugs were beyond the guidelines imposed by the Canadian Drug Prices Review Board. We know that the prices of drugs, after the passage of Bill C-22, exceeded the average increase in the CPI by over 2 per cent, 6.2 per cent as compared to 4.4 per cent for CPI.

We know from statistics prepared in Ontario and British Columbia by Green Shield that there have been massive increases in the price of drugs.

I should add this additional little piece of information. The industry promised that it would increase the amount of research investment in R and D by $1.4 billion over the level expected by the trend lines without Bill C-22, if you can understand what I am saying.

• (1550)

They have come nowhere near that, but what we have to understand is that the drug companies, even if they had put in that so-called $1.4 billion, would have spent nowhere near that amount. Something that has not been pointed out in this Chamber before is that in the province of Quebec, for every dollar the drug companies brag about putting into R and D, they in fact only invest 30 cents. Seventy cents of that dollar came from the Quebec government or the federal government.

In fact, anywhere in the United States the drug companies have to put 65 per cent of that dollar in. Nowhere in Canada do the drug companies have to put any more than half what they claim to put into R and D.

Now we have Bill C-91. Bill C-91 will eliminate compulsory licensing. It will provide the benefits of complete patent protection for 20 years for companies that do not even work their patent in Canada, that do nothing with respect to all those promises in Canada.

Furthermore, it is retroactive. It requires no production of fine chemicals in Canada. It is not good. Members sit over there and tell us that it is not going to cost Canadians any more for drugs. The government's own spokespersons say that by the turn of the century the budget for drugs in this country will be increased by $550 million per year.

Other statistics indicate that almost as soon as this legislation is passed, the cost to this nation for these patented drugs will increase by $500 million, and by the turn of the century, $1 billion more will be spent for drugs because of this bill than is being spent now.

This is offensive legislation introduced by a government that has offended the whole country. It should be withdrawn. If there are any Conservatives who give a damn about Canadians, they should stand up and say: "No more. This country has had enough of the wreckage that this government has imposed on Canada and Canadians, and on what Canada stands for". This bill should be defeated by true Canadians.

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I listened with great interest to the hon. member opposite and other hon. members speaking with such great disrespect about this bill.

I am quite pleased and proud, frankly, to rise in support of this bill and to say, among other things, this is not just a bill about patent protection and about pharmaceuticals. It is a bill about economic development and I will get to that in a moment.

We have been focusing in detail on the provisions of Bill C-91 and it has been a useful and a necessary exercise. This is complex legislation, as it must be, to achieve the balance we need. It is also very important as we do so that we do not lose sight of some of the basic aims and principles which underlie this legislation. I would like to touch on these now.

First of all, we want to strengthen patent protection for brand name pharmaceutical products. We want to eliminate compulsory licensing and we will be the last major industrial country to do so. We want to provide controls in pricing of both new and existing patented drug products. We want to introduce the principle of innovation and discovery and to demonstrate that it will bring value both in terms of costs and cures and in terms of medical treatment more assuredly than any protection process.

I would like to quote Dr. David Stewart. I am sure this is probably repetitious, but it bears repetition. He says:

> Brand name companies develop new medications at tremendous expense. It now takes between $100–$250 million to develop a new drug and bring it to market. For every drug that is successfully marketed, there are large numbers of others that prove unworthy of further interest part way through their development.
>
> The new drugs that do make it to market save lives and alleviate suffering. In the process of doing this, they can save society and individuals very large amounts of money—they are highly cost effective.

They bring into the realm of knowledge products that otherwise would not ever have been available. This debate is about innovation and its relationship to Canada's future. It is also about the special importance of new knowledge and new understanding in a particular field, modern health and medicine. Where pharmaceutical research is concerned, humanity simply does not have the option of staying put.

Scientific exploration has allowed us to defeat many diseases and to alleviate much suffering which has burdened past generations, but many deadly scourges such as cancer, AIDS and so on remain unconquered and present tremendous challenges to us to conquer.

My family in recent months has had experience with heart disease. It has been very surprising and gratifying to me to realize that just in recent years there have been advances in drug technology that, if the patient can get to the hospital in time, frankly save lives which otherwise would not have been possible. As Dr. Richard Gallop, executive director of the Ontario Heart and Stroke Foundation said:

> While we are concerned about the question of the cost of drugs, we nevertheless recognize that considerable savings have been achieved in the cardiac area, in recent years, because of the break–through in drug technology. This has resulted in a substantial lowering of death and disability from heart disease and stroke.

I can speak with firsthand family experience that that is so. Therefore, it is absolutely necessary to encourage this work of discovery.

The fact is that strong, innovative pharmaceutical industries do not grow full–fledged out of the ground. They rise from the ground up, one laboratory after another, until clusters form and eventually a strong sector emerges.

Between 1988 and 1991 basic pharmaceutical research, and let me underline basic research, has more than tripled; from about $30.2 million to $94.2 million. Today the innovative pharmaceutical sector leads all others in the funding of medical research.

There is another basic principle involved here and it is that protection for the innovator and the developer is consistent with consumer interest in knowledge–based industries. What does the record show? Five years ago the opposition predicted that increased protection of patents through Bill C–22 would produce an explosive increase in the price of drugs. It did not happen. Over those five years, according to the Patented Medicine Prices Review Board, the average rate of increase in the price of patented drugs was less than 3 per cent a year. That was lower than the rate of inflation for the basket of goods and services covered by the Consumer Price Index and lower than the rate of inflation.

This debate is also about staying in step with the times. It is about adapting our policies and our laws to match changing needs and priorities. This applies with particular force to the matter of compulsory licensing. Members on the other side have sought to move this argument back 30 years and to base their arguments on the priorities and challenges of that period.

In the late 1960s there was legitimate concern about the lack of competition in Canada's pharmaceutical industry. Compulsory licensing was introduced at that time to make it possible for a generic industry to get started in Canada. It was like planting and nursing a new tree. Compulsory licensing was needed to support the industry in its early growth. That was close to a quarter of a century ago and today we have an established generic industry in Canada and it is a strong industry.

Our innovative patented medicine industry is also well established and growing. It employs 18,000 people now

while the generic industry employs 2,600 people. What is significant is that in the five years since 1987 when Bill C–22 was introduced, the patented medicine industry has grown by 2,400 jobs or as much as the total generic industry as it exists today.

Study after study has come to the same conclusion: Our economic future depends on innovation and the encouragement of innovation. As the steering group on prosperity says: "We need to invent our future". To do that we have to think long term. We have to put in place the foundations for sustained growth and prosperity.

A debate about patented drugs today really is about the economy. Bill C–91 is a positive and powerful thrust pointing toward economic growth and it is one that we should all be supporting. This legislation will help us to build a strong, new sector of innovation into the Canadian economy. It will contribute to our competitiveness, it will contribute to jobs, to opportunity and to the improvement of our standards of living.

• (1600)

Throughout the world, pharmaceutical companies are investing huge amounts in research and development. In today's global market that money can go anywhere. By making the climate friendlier to innovation, we can ensure that much of it comes right here to Canada.

We need to move forward decisively on the economy and we need to move forward decisively on Bill C–91. For those reasons and for its great contribution to our medical research and our scientific knowledge, I urge the early passage of this bill with the support of all members of this House.

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, it is a pleasure for me to participate in this debate today. However, it is not pleasing to look at Bill C–91, combined with Bill C–22, which is leading us down the path of higher drug prices. It is very unfortunate for the Canadian consumer and the Canadian senior citizen on a fixed income is going to lose more dollars out of their pockets.

The issue of patent protection for prescription drugs is quite old, dating back to the 1960s. In 1967 the member for Vancouver Quadra, then the Liberal minister of consumer affairs, brought in a system of compulsory licensing to protect the Canadian consumer. That system remained in effect for 20 years. During that period people like senior citizens benefited from the development of the generic drug industry that lowered the cost of many medications.

The system was fair. It helped consumers through lower prices, it allowed generic manufacturers to grow and employ over 2,500 Canadians and it still allowed the multinational drug companies to thrive in terms of market share and profitability.

Like the old saying goes, all good things come to an end. The balance system ended in 1987 when the Conservatives forced through Bill C–22. Do not worry, the government said, it will not hurt a bit; we will create lots of new research and development jobs for our young Canadian scientists. Sadly, this is just another Tory promise to be broken.

Let us look at the cost of prescription drugs. The Conservatives promised that the price increases for drugs would not exceed the rate of inflation. The government set up the Patented Medicine Prices Review Board to review and enforce the regulations and price increases. However, the government's performance in this area was very poor.

The review board is just a toothless tiger, unable to force the multinationals to follow the rules. In its fourth report to Parliament the chairman of the review board said, and I quote: "The high number of prices out of compliance (that is breaking the rules) suggests either that some patentees follow a strategy of setting high introductory drug prices so as to benefit from the temporary gain, or that they resist the board's guidelines".

The government's hand–picked chairman is admitting that the major drug companies are either deliberately gouging Canadian consumers or they are deliberately ignoring the rules completely.

In August of this year the NDP government of Bob Rae made drastic cuts to the Ontario Drug Benefit Plan. The cost of running the program had increased an average of 18 per cent over the last 10 years, so the NDP dropped the knife. I wonder if Bob Rae has figured out how a senior scraping by on a fixed income is going to come up with the extra dollars to pay for drugs that are not covered by the drug plan.

They could buy extended health insurance to cover the cost of prescription drugs. Green Shield, one of the largest operators of drug plans, prepared a report for its clients explaining why its premiums have been increasing so much. In its report Green Shield said: "The average cost of a prescription claim has risen at a rate in excess of

11 per cent compounded annually for the period 1987 through 1991, well above the CPI rate".

That is not all the company report had to say. According to Green Shield the average cost per claim for new drugs introduced between 1988 and 1991 was more than double the average for drugs introduced before 1988. The key question through all of this is who is going to pay. Why are drug prices going through the roof and what can seniors and the general public expect in the future? For this question the president and CEO of Green Shield had to say: "It is reasonable to suggest that any further extensions to patent life will result in continued high level of increase in drug costs".

During the debate on Bill C-22 seniors groups and consumer advocates told the government that prices would increase if patent protection was extended. Now we have proof that the government did not know what it was getting into. Instead of admitting that Bill C-22 was one more of its mistakes, the government is pushing ahead with extending patent protection even further. The government is turning its back on the seniors and is walking down the garden path to higher drug prices.

The promise the government made in 1987 has not been fulfilled. While spending for research and development has increased, much of it has gone toward clinical testing of drugs and not for the leading-edge research for new beneficial medications. Despite promises of new jobs, the multinational drug companies have actually cut back on staff.

I think it is quite unfortunate when the chairperson of the Patented Medicine Prices Review Board in its report to Parliament indicated that drug prices have increased not below the rate of inflation, but well above the rate of inflation. For example, Green Shield increased by 11.4 per cent, Ontario Drug Benefit Plan by 13.2 per cent and Manitoba health insurance by 12.3 per cent. He also indicated that drug companies are totally ignoring the rules they agreed to five years ago. Unfortunately, there is no way to force them to follow the rules.

The people who are really getting walloped in this situation are the people on fixed income, the seniors of this country. One might say that seniors are only 11 per cent of the population, but they consume about 40 per cent of the drugs. What we are doing is taking and taking from the senior citizens. They have no recourse. We tell them to buy more medical plans. The medical plans are going up in price. They are caught. Most likely some of the seniors unfortunately, the people who have made this nation what it is for you and me, are possibly caught in the situation that they cannot pay for the drug plan and when it comes time to get the drug, they just have to do without.

I call on the government to show some compassion, look at Bill C-91, think of the Canadian people and withdraw this legislation.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I look forward to participating in this debate to correct some of the misinformation the previous speaker has just put on the record.

I will just mention a couple of figures that come to mind for example. He talked about an 11 per cent increase according to the Green Shield plan in drug prices. What he failed to mention was that includes all drugs, patented and non-patented. What he failed to mention is that patented drugs, which is what Bill C-91 deals with, represent 20 to 25 per cent of the total drugs. He fails to mention that prices for patented drugs over the last four years have increased less than the rate of inflation, less than the CPI, that the increases he is talking about are for the non-patented drugs which are not affected in any way, shape or form.

The concern about price rises in non-patented drugs lies totally within provincial jurisdiction. If the hon. member truly wanted to contribute to the understanding of Canadians, he would not confuse the two in the way he has done.

• (1610)

He talked about the increase in cost to the drug plan of the province of Ontario, for example. He fails to mention that is the total drugs prescribed within that plan including non-patented as well as patented.

He failed to take into account the number of people and the number of prescriptions. He failed to mention, as he could have, that the average senior citizen gets some 26 prescriptions per year in this country. There are many, many duplicates. Go into the medicine chests of a lot of senior citizens and you will see a lot of prescrip-

tions. Because of their age they do not feel well, they see doctor, and they get prescriptions.

The mere expedient of having a central registry so that physicians or pharmacists could check to see whether in fact this is duplication would save millions. In fact, reducing by one prescription per senior citizen would save more money than even the worst assumption in terms of what Bill C-91 would take into account. It is that kind of misinformation that makes it very difficult for the public to understand.

Figure three in the March 19, 1992 report of the Patented Medicine Prices Review Board shows very clearly in pictorial form since the introduction of Bill C-22 the prices of patented medicines—not all medicines, just patented because that is the only thing affected by this bill—rose less than the cost of inflation. In constant terms in fact the prices went down. They went down. That cannot be denied. It is incredible to me that that simple fact shown visually is ignored or distorted by opponents to this bill.

Look at the principle involved. The principle is very simple. It is a long-established principle. Creators have a right to exploit their creations. In terms of inventions the convention around the world is 17 to 20 years of exclusive right to market, to sell, to produce that which you invent and get the rewards for it. It is an absolutely essential ingredient in terms of promoting research, invention, creation.

Let me give an analogy. One of the significant costs of education is in textbooks, books for libraries, books for students. Those books are all copyrighted. The authors and the publishers have a copyright. You cannot duplicate the books. It is against the law. Why do we not save the education system money by having compulsory licensing of textbooks so that we could have generic copies? If there is a good book written, rather than paying the full price, we would allow somebody to produce a generic copy for the benefit of students and educational institutions. It would save hundreds of millions of dollars.

Who would support that in this House? Nobody. That is an affront to the author. It is an affront to the creative skills of the author. We recognize that the author has the right to—

Mr. Skelly (Comox—Alberni): Bring in the bill.

Mr. Andre: The hon. member from the New Democratic Party says bring in the bill. He would have generic copies of textbooks. That is an interesting policy. Maybe the NDP would like to propose that we should have a debate on that.

The reality is that in all modern societies we recognize something called intellectual property. If you create the product of your mind, just as the product of your hands is yours, it is immoral for governments to come along and say that the product of your mind belongs to the common good because what that does is it turns off minds.

In terms of the pharmaceutical industry what we had prior to Bill C-22 was the situation where it simply did not make sense to do research in Canada because you spent $150 million to $200 million to develop a new drug. You spend that money, you create a new drug. If it has any market at all, it is because it helps people with their illnesses. And then you say: "But you, the creator, do not have the exclusive right to enjoy the fruits of invention; somebody else will enjoy them".

Then what happens is that there is not much research in Canada. Indeed, prior to 1987 pharmaceutical companies operating in Canada spent about 6 per cent of their total sales on research versus a world average of 10, 11 or 12 per cent, in that order. We had about half the research.

Mr. Milliken: Where is it? Tell us where.

Mr. Andre: The hon. member from Kingston should listen rather than heckle from his seat.

What has happened now is that the pharmaceutical industry said to us in 1987 that if we passed Bill C-22 it would raise the level of R and D in Canada to international levels by 1996, 10 per cent by 1996. Well, what happened in 1991? It was 9.7 per cent. This year it has already exceeded what had been committed to by 1996. Why? Because once you provide some protection for the fruits of research you get research. Lo and behold, Canadian universities and medical establishments, Canadian laboratories have shown that they are very good. We

have some excellent people. Given the opportunity to pursue research and the opportunity to enjoy the fruits of that research, Canadians have responded.

The November 10 issue of *The Globe and Mail* on the report on health and pharmaceuticals says: "Robust industry defies sick economy". There are several pages about how robust the pharmaceutical industry is in Canada as a result of Bill C-22. What do we have? We have investments in research and development near international levels finally. We have a robust industry employing people and growing.

I will never forget the young man who stopped me on a street in Montreal and said: "Thank you, Mr. Andre. I have been working in California since graduating with my Ph.D. in biochemistry. As a result of Bill C-22 I have been able to come back to Canada and work in my home country doing research and development". The member from the New Democratic Party over there chuckles about this. He thinks it is pretty funny that we provide an environment for Canadian scientists to work in Canada.

What was said about Bill C-22? Let me read you some quotes on Bill C-22, one by the now NDP leader, but not then: "Estimates suggest that it will double or even triple the cost of prescription drugs in the country". What happened? They actually went down in real terms. I think it was the member for Essex—Windsor: "The bill will bring Canada dramatically higher drug prices and very little research". Wrong on both counts. More research, lower prices. What did the then leader of the Liberal Party say? "Consumers could wind up paying billions more under C-22." Wrong, dead wrong.

Mr. Milliken: Where are the facts on this? Who says so?

Mr. Andre: The facts say so. The hon. member from Kingston can read. He should read the report and look at the chart.

Mr. Milliken: It went up 4 per cent a year.

Mr. Andre: And inflation was more than that. The hon. member should know.

There was Ed Broadbent who said that already prices for drugs were going up four times the rate of inflation. Then there was that great journalist, Don McGillivray, who said: "The policy will not cause prices to rise, said Harvie Andre. He must have been talking for the benefit of the people who believe in the tooth fairy".

The Acting Speaker (Mr. DeBlois): Order please. Time is running out and I invite the hon. speaker to conclude.

Mr. Andre: Mr. Speaker, I will conclude by reading a quote from an article in *The Ottawa Citizen* of October 6 because I think it explains why we are doing it: "Canada risks becoming a mere bystander in the global race for new drugs and treatments unless the government passes its controversial drug patent law, a group of researchers warned Monday. The real losers are going to be Canadians in need of innovative medical treatment, said Dr. Howard Dickson, chairman of the Coalition for Biomedical and Health Research and associate dean of research at Dalhousie University's faculty of medicine". It goes on to say: "The coalition is urging the passage of C-91".

The reality is that the scientists of this country want us to pass this bill because it is right. Those who understand what research and intellectual property is about want us to pass it because it is right. Those who look fairly at the success of Bill C-22 recognize that this is a move in the right direction that will produce more research, better drugs for Canadians, more jobs for Canadians, and in fact is the kind of legislation that any intelligent government would pass.

• (1620)

That is why I am pleased to support it, Mr. Speaker.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I am pleased to be able to speak on Bill C-91. I want to address three issues: compulsory licensing, research and development in jobs and the cost of pharmaceutical drugs. First of all, I want to assure my hon. colleagues that I have in fact looked at the research and I am going to try to make a case which I think is fair.

We have to understand that compulsory licensing was brought in because the prices of pharmaceuticals in Canada were really much higher than in most countries of the world. Because it was difficult to try to make these medications available to our population, there was a different way to do it. In fact it was the right hon. member for Vancouver—Quadra who amended the Patent Act so that holders of drug patents no longer had a monopoly on the production and the bill established, as I was indicating, a system of compulsory licensing whereby generic drug companies could produce a patent drug

by receiving the compulsory licence and paying the licence holder a royalty fee.

That was a step forward because this practice increased competition in the industry and lowered the aggregate price of drugs sold in Canada. It also had the effect of helping keep medicare and health costs stable. That has been demonstrated in a number of studies.

I want to point out a couple of studies that have dealt with that. For example, the report of the inquiry into the pharmaceutical industry, the Eastman report, stated that by 1983 the multinationals had lost only 3.1 per cent of the Canadian market to generic competition and the profit levels of the multinational companies in Canada were higher than in most well developed countries of the world.

It goes to show that in spite of these changes, that permitted keeping the cost down and therefore gave more access to Canadians generally and it did not have a large a large debilitating effect on the patent drug industry.

At the same time, the system of compulsory licensing brought the price of drugs in Canada under control. Here is where Eastman reports again. The system of compulsory licensing in Canada saved Canadian consumers $211 million.

It has also created a generic drug industry that employs over 2,500 people and does business in excess of $400 million. That is in comparison to multinationals which employ about 17,000 people and have a business of $4 billion, which is significantly larger.

I think most people would agree that in 1984 Canada was well served by a policy of compulsory licensing and medical drug patents. Why is it that the government decided to offer more protection? Why did it offer a monopoly if you wish to the multinationals? Why, when it was working perfectly well?

Since the passage of that infamous bill in 1987, Bill C-22, Canadians have become clearly aware that the board's methodology in terms of looking at prices is flawed. The Patent Medicine Prices Review Board only monitors the price of old drugs already on the market. It does very little to address the issue of new products coming on the market.

I want to quote that the real increase in the cost of drugs on the market has risen well over the rate of inflation. I want to point out as well that the following Canadian insurance plans have reported substantial increases in the prices of drugs since 1987: The Ontario government drug plan reports a 13.2 per cent increase; the Green Shield health insurance company reports an 11.4 per cent increase; the Manitoba health insurance plan has reported a 12.3 per cent increase. Now the government wants to offer less protection to consumers.

The fourth annual report of the PMPRB, which is a government board, ending December 31, 1991, admits that new drugs on the market have risen substantially since 1987. I want to quote from that report. "Even though price increases on existing drugs have been below inflation, the cost to consumers, third party insurers, and provincial drug plans have increased at a faster rate, chiefly because of the substitution of new drugs for those previously prescribed."

I could go on. I shall quote another study. It is a study prepared by the Department of Industry, Science and Technology entitled *The Impact of Pharmaceutical Company-sponsored Basic Research at Canadian Universities*. The report states: "In addressing the kinds of research and the amount that has taken place, Canadian medical schools have found that Bill C-22 has had a minimal impact on basic research and development in Canada".

This Bill C-22 that in essence destroyed compulsory licensing not only contributed to the increase in cost for medication, much of this medication going to seniors obviously and those people who are ill more than the average population, but contributed very little to research and development in this country.

This government board, the PMPRB, report said: "In relationship to the amount of activity in research and development, the location of significant research in the pharmaceutical industry is principally determined by the location of the parent firm's headquarters". There is proof that this bill is not going to do anything to generate significant additional research.

Further, in an OECD report entitled *Multinational Enterprise: Governments and Technology* the pharmaceutical industry states that whenever governments have tried to encourage pharmaceutical innovation in countries where it only exists at low levels—such as the case in Canada—the results have been disappointing.

What proof do we need that this is not the right type of legislation? A report from the department of the Minister of Consumer and Corporate Affairs who introduced this bill shows that there has been limited job gain, little growth in basic research and almost no capacity to produce the active ingredients of drugs in Canada.

There had been a prediction in 1987 by the government that 3,000 jobs would be created by 1996. Another study concludes that only 1,386 jobs were created between 1987 and 1990, and nearly half of those were in marketing and sales. Only a third was in research and development, the area that the government had targeted for job creation.

You could look even further at those in research and development and realize that those that were taking place were not the kinds of jobs that we wanted primarily, although they were important jobs.

We opposed the last government intervention in this sector. We continue to oppose it because we believe that there is absolutely and totally inadequate proof that this is good for Canada, that this is good for Canadians and particularly for those Canadians who will need most assistance.

[*Translation*]

When I talk about Canadians who will need assistance with drugs and medicine, I am of course referring mainly to seniors. Except in rare cases, the need for medical attention tends to increase as we grow older. I suggest it is unfortunate that legislation such as this be allowed to cause hardship to the elderly.

There are those who are sick often, sometimes over the course of several years, and who will require medicine during most of their lives. Costs are already prohibitive. We suggest, and there is evidence to back this up, that they will only go higher with this legislation. I find it is absolutely irresponsible on the part of this government to go ahead with this.

I want to stress once more the fact that there is no adequate proof whatsoever to the effect that this bill will generate as many new jobs as government members claimed it will. Even if that many jobs were created, it would not be in the area they targeted, i.e. primarily research and development.

Why then has government decided to go ahead?

[*English*]

I want to finish by stressing strongly that Bill C-91 will have very similar effects to the last bill, C-22. It will not, if it passes, create the number of jobs in the areas that it was indicated it would and it will not hold the cost down.

• (1630)

We have a number of really incredible studies which show that actually the contrary will occur. Therefore, with that kind of evidence and that kind of proof, I have no choice but to say no to Bill C-91 for those Canadians who will need medication and in particular the seniors and those who have need of medication because of their medical condition.

Mr. Blaine A. Thacker (Lethbridge): Mr. Speaker, I am privileged to say a few words on this bill.

Patent protection is something that is easy to attack but it is a very fundamental principle. In fact, when you read the history of the western world, it was only when we got into patent protection that gives to somebody who creates something new an exclusive period to use it and to profit from it that all sorts of people spent time and effort in writing books and developing products because of that patent protection. It led to an enormous creative energy that swept across the western world. We are benefiting from that today.

In the sixties the price of drugs started to go up. There is no doubt about that and governments around the world reacted in different ways. Virtually every other country in the world that acted at all acted in terms of a prices review board. But Canada did not act that way. The then government, which was a Liberal government, decided that it would abolish patent protection. In a way it seemed like a weird choice but that is in effect what it did. It immediately had an impact. It meant that there was less and less research being done in Canada, and why not?

If you were a scientist or were employing scientists and you wanted to develop a drug, would you put that money in Canada where you have a very limited protection? Or would you put it in Germany or Switzerland or Britain or France or the United States or any other number of countries in the world where you could get the patent protection for the period?

Of course you would put your money elsewhere and that is what started to happen. Just recently, we were faced with the loss of Connaught Laboratories Limited to a French company. That was an outflow of decisions that were taken years before because that is what we all learn as members. It takes many years for these things to come to fruition.

The company that developed insulin did so in this country. Had we kept the patent protection, we should have continued to be at the cutting edge. We lost out on Connaught Laboratories Limited and it is now owned by a French company.

In 1984 we proposed a remedy. It was Bill C–22. It was an enormous battle. The two opposition parties fought it tooth and nail. We stuck together as a caucus and got it through. As a result, even though it is just a short period of time, there are 2,400 people working that would not otherwise be working. One billion dollars has been spent on research and development since 1987. Once this bill goes through, we will have another $900 million of projects that are actually on the books and ready to move. We will have $84 million in research going to universities.

The point I want to make is that that bill was dramatically opposed by the opposition. We pushed it through and there are jobs. Those jobs would not have been created in the absence of it. Have any generic companies gone out of business? Not one. They are all here. Indeed, when you look at the generics, they have actually gone and made investments in the United States. If the generics are not being hurt and the prices of patented drugs have gone up by less than inflation then who is hurt? Nobody is hurt. We have 2,400 people working and we have over $1 billion in research.

A second bill that came along dealt with copyright. That too was opposed by both opposition parties but with less vigour. It went through. Again the principle is that if somebody writes something or creates something, they should be able to get some benefit from that for a period of exclusivity.

The third bill that came along was for microchip technology. We have 25 companies that build these microchips. They needed to have patent protection for the topography. This is how these microchips are designed. As you know, they are simply layers of silicone. The people that design these are really like people that design apartments, figuring out how the water pipes go and the electrical pipes cords are put up and all that type of stuff.

By the time we got around to that bill, both opposition parties voted for it because they finally realized, I hope, that patent protection is good. On this bill they do not. I think it is really flowing out of their inability to stand up to Canadians and say the right thing. It is easy to oppose. It is an attractive thing to go out to seniors. There is no doubt that some of the stuff that has come from seniors shows that they have had the fear of God put in them because of some data that have come to them. Whether it is from the opposition parties or whether it is from the generic firms, it is out there and it is real.

The hard thing to do is to make a decision that is right for the country. Do we as a western country want to give up that historic patent protection that led to all sorts of creative ideas around the world? I do not think anyone would want to do that. It might appear attractive in the short term but it will sure hurt this country in the long term. Do we want our young kids in university to do the research to develop the drugs? We are going to buy them. There is no doubt if a drug comes in and is designed in the United States, Germany or Switzerland and will help on cancer, our people will spend every cent they have. Do we do the research here and have our own people with all the multiplier effects or do we buy it from abroad?

I believe we should be doing it here. That is how this bill is designed. We have all the protections of the Patent Medicine Prices Review Board, the same as other countries. If the companies get too far out of line, the board has the power to act and it will act with the full support of this Parliament and the Canadian people.

In the meantime, why would we put one hand behind their back because other people will step in and do the research? As I said, has any generic company disappeared? The fact of the matter is that they have not. When we look into the drugs that the generics choose to get into, they choose a very narrow spectrum of drugs from which they make enormous profits without ever having put one cent into basic research and funding of that research to create that new drug. If anything is a parasitic relationship it is the generics.

I would rather have myself criticized for supporting companies that do that basic research to create the new one than to be acting on behalf of the few companies, the generics, that are taking the research of somebody else and creating it at a very low price without having paid for the research. That to me does not seem right.

I believe that the balance in this bill between the legitimate pharmaceutical companies and the generics and the population at large is a proper balance and I am proud to vote for this bill.

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I am pleased to take my place in the debate on this bill as well from the opposite point of view of the member who just spoke.

In my view this bill is simply another pay-back that the Conservative Party is making to the people who have financed its election campaigns over the years and a pay-back to its friends in the multinational corporations and their United States branch plan partners who have established really the Conservative agenda over the last eight years.

There have been a number of those kind of pay-offs to the American and multinational supporters of this government party. Those pay-offs have reduced the sovereignty of this country, have virtually bankrupted this government in its ability and power to act on behalf of its citizens. This is one of the reasons for this piece of legislation.

Mrs. Dobbie: Nobody believes that.

Mr. Skelly (Comox—Alberni): If you are going to comment on what I am saying, madam, sit in your seat and do it like any other member.

It has also eliminated policies which the U.S. has considered trade irritants in Canadian policy so that the Conservative government has done a great service to the United States companies and to the branch plants subsidiaries that have financed its campaigns over the years. I understand that drug companies have done that to the extent of something like $48,000 a year. What we are seeing here is essentially a pay-back to those corporations and to those supporters of the Conservative Party.

• (1640)

I am a bit concerned about one of the statements that was made by the House leader. Essentially what he said is that creators have the right to exploit their creations.

To some extent that should be true. There should be some protection for intellectual property and some protection for those scientists and researchers who do the fundamental research that ultimately results in good things being developed and in new developments being made in science and literature and other fields of human endeavour.

To suggest that patents and protection of intellectual property have been the great motivator for that kind of human endeavour misses the point of tens of thousands of years of human creativity. There were a lot of things invented before the inception of patent laws; things like the wheel, the steam engine and the automobile. There were a lot of things invented before we brought down patent legislation in order to protect this intellectual property.

I was interested in the House leader's statement because he said that creators have the right to exploit their creations. Essentially when we are looking at drug companies and companies that hold these patents we are not looking at the creators themselves, we are looking at people who have the power to deal with scientists and researchers and creators. They are able to buy up the results of those creations and exploit the results of those creations for their own profit. That is precisely what we are talking about here.

We are going beyond this because we are talking not about the right of a creator to exploit his creation, but about the right of manufacturers to exploit the people of Canada because they hold a government granted, time limited right to a patent that gives them the right, not to exploit their creation, but to exploit Canadian people in a monopolistic kind of situation.

That is what disturbs me because of the hypocrisy of this government. On the one hand it says that the telecommunications industry should be open to the rigours and the discipline of competition, that there should be many people operating in the field and that nobody should have the exclusive right because perhaps they have developed that technology or because they have the wit and the wisdom to invest in that technology first. That does not grant you any kind of exclusive right.

It has opened up the telecommunications field to wide open competition.

Look what it has done to the airline industry. The airline industry is being deregulated, opened up to competition because this government believes that competition is a necessary thing to impose the rigours of the marketplace upon our industries so that they will become competitive world-wide. To demonstrate the hypocrisy of this government, what do we see in this legislation? In this legislation, in exchange for the $48,000 a year that the PC Canada fund gets from the drug companies, these drug companies are being given the exclusive monopolistic right. It is a restraint on trade, it is a restraint on competition, it is exactly what the Tories say they do not stand for.

Why are they giving this exclusive right, not to the creators of these drugs or these chemicals, but to the people who have the money to buy the products of the creative researchers and the creative scientists who operate in Canada, the United States and around the world? Why are they doing this? There has to be a better explanation than the pat line that was given to us by the House leader that creators have the right to exploit their creations or the line that was given to us by the member from Alberta in a similar vein.

I cannot even understand the logic of the arguments being made by the Conservative government opposite.

An hon. member: A last favour to their friend, George Bush.

Mr. Skelly (Comox—Alberni): The drug companies are doing very well, thank you very much. Why do they need this additional protection, except to satisfy an unbelievable greed on the part of those drug companies? Look at the return on investments that those companies have enjoyed over the past many years, even when they were in competition with the generic drug manufacturers.

Here is a report about pharmaceutical patents and politics Canada in Bill C-22 which reports the pharmaceutical industry enjoyed an extremely healthy rate of return: in 1972, 24.7 per cent; at the same time all manufacturing companies were enjoying a return of 14.1 per cent. In 1976, still under the compulsory licensing division, 22.7 per cent return for drug companies whereas all manufacturing—

The Acting Speaker (Mr. DeBlois): It being 4.45 p.m., pursuant to an order made earlier this day in accordance under the provisions of Standing Order 78(3), it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the second reading stage of the bill now before the House.

Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Call in the members.

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

(*Division No. 241*)

YEAS

Members

Anderson	Andre
Attewell	Beatty
Belsher	Bernier
Bertrand	Bird
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 (Yellowhead)	Clark (Brandon—Souris)
Clifford	Cole
Collins	Cook
Cooper	Corbeil
Côté	Crosbie (St. John's West)
Danis	Darling
Della Noce	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Epp	Fee
Feltham	Ferland
Fontaine	Fretz

Friesen
Gray (Bonaventure—Îles-de- la-Madeleine)
Guilbault
Harvey (Chicoutimi)
Horner
Hudon
Jacques
Jelinek
Joncas
Kempling
Langlois
Leblanc (Longueuil)
Loiselle
MacDonald (Rosedale)
MacKay
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Merrithew
Monteith
Nicholson
O'Kurley
Porter
Reid
Ricard
Robitaille
Roy-Arcelin
Schneider
Shields
Sobeski
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vankoughnet
Vien
Weiner
White
Wilson (Etobicoke Centre)
Worthy—133

Gibeau
Greene
Gustafson
Hockin
Horning
Hughes
James
Johnson
Jourdenais
Koury
Larrivée
Lewis
Lopez
MacDougall (Timiskaming)
Marin
Mazankowski
McDermid
McLean
Mitges
Moore
Oberle
Plamondon
Pronovost
Reimer
Richardson
Rocheleau
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Venne
Vincent
Wenman
Wilbee
Winegard

NAYS

Members

Allmand
Angus
Axworthy (Saskatoon—Clark's Crossing)
Baker
Bellemare
Blaikie
Breaugh
Catterall
Comuzzi
Duhamel
Ferguson
Fontana
Fulton
Gaffney
Gardiner
Grey (Beaver River)
Harvard
Holtmann
Hunter
Karpoff
Kilger (Stormont—Dundas)
Kristiansen
Langdon (Essex—Windsor)
Lee
MacDonald (Dartmouth)
MacLellan
Marleau
McGuire
Mifflin
Murphy
Nowlan
Pagtakhan
Peterson
Pickard

Althouse
Arseneault
Axworthy (Winnipeg South Centre)
Barrett
Black
Boudria
Caccia
Clancy
de Jong
Edmonston
Fisher
Foster
Funk
Gagliano
Gray (Windsor West)
Harb
Heap
Hovdebo
Jordan
Keyes
Kindy
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLaren
MacWilliam
McCurdy
McLaughlin
Milliken
Nault
Nunziata
Parker
Phinney
Proud

Prud'homme
Riis
Rodriguez
Skelly (North Island—Powell River)
Speller
Taylor
Volpe
Walker
Whittaker
Young (Beaches—Woodbine)—87

Rideout
Robinson
Samson
Skelly (Comox—Alberni)
Stupich
Vanclief
Waddell
Wappel
Wood

PAIRED MEMBERS

nil/aucun

[*Translation*]

The Acting Speaker (Mr. DeBlois): I declare the motion carried. Consequently, the bill is referred to a legislative committee in the Departmental envelope.

Motion agreed to, bill read the second time and referred to a legislative committee in the Departmental envelope.

[*English*]

Mr. Soetens: Mr. Speaker, a point of order. I would like to point out that although I was present for the entire process of the vote, I did not participate as there have been some discussions about my chairing the legislative committee. Until that decision is taken, I remain neutral on the matter.

Mr. Marchi: Mr. Speaker, because I was detained, I was unable to participate in the vote. Had I been here I would have voted with my party against this Draconian measure of the government.

The Acting Speaker (Mr. DeBlois): Order, please. Pursuant to Standing Order 30(6), the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*Translation*]

SMALL BUSINESS SECTOR

BUY CANADA PROGRAM

The House resumed from May 14, 1992, consideration of the motion of Mr. Whittaker that, in the opinion of this House, the government should consider the advisability of developing a healthy small-business sector by targeting more federal contracts to the small-business sector and establishing a more aggressive Buy Canada program.

The Acting Speaker (Mr. DeBlois): I yield the floor to the hon. member for Jonquière, but first I would ask the co-operation of all members to hold private conversations outside the House.

Mr. Jean-Pierre Blackburn (Jonquière): Mr. Speaker, I am pleased to speak in this debate on the motion of the hon. member for Okanagan—Similkameen—Merritt. The motion reads as follows:

> That, in the opinion of this House, the government should consider the advisability of developing a healthy small-business sector by targeting more federal contracts to the small-business sector and establishing a more aggressive Buy Canada program.

I read what certain members said in this House about this motion and I would like, first of all, to quote what the hon. member for Broadview—Greenwood, a Liberal, a member of the opposition, said on this motion when he spoke of the Department of Supply and Services:

> The department of which he is in charge is one of the most efficient and co-operative of all government services since it deals with small and medium-sized businesses.

He added:

> It is fantastic.
>
> In fact, nothing prevents a small or medium-sized business to deal with the federal government.

That goes to show you the difference in perception between members of this House. On the one hand, we have an NDP member who would like to see the system improved because he believes it is not efficient and, on the other hand, a Liberal member who thinks it is fantastic and it works pretty well. But how does it really work when it comes to awarding contracts to small businesses within Supply and Services Canada?

Eighty percent of all contracts—I repeat 80 per cent—which go to tender are awarded to small and medium-sized businesses. That leaves 10 per cent which are awarded to what we call big businesses, but also offered to small businesses. In a way, 90 per cent of Supply and Services contracts go to small and medium-sized businesses.

• (1720)

You will therefore understand that I am somewhat puzzled by the request put forth by the member from the New Democratic Party who would like to improve the system. Could he tell us what exactly is the problem? Ninety per cent of contracts already go to small businesses. On top of that, for the last two years, the Minister of Supply and Services has created a system which is working or which at least allows our business people to use their computers to learn about the calls for tender put out by the government or by the Department of Supply and Services.

Under those circumstances, you will understand that what we hear from our small businesses, be it in the Saguenay—Lac-Saint-Jean area or in the riding of Jonquières, or anywhere else in Quebec, is that people are pleased that the Department of Supply and Services has created this system to allow our small businesses to bid. They are ready to compete. All they ask is to have the opportunity to bid. It is what our government gave them two years ago.

That is why under the circumstances I really wonder if such a motion is not solely intended to allow the members to speak without achieving anything in terms of content since the system is working.

If the member is experiencing particular problems, there is an appeal mechanism for those businesses who feel that they were cheated. Judging by what we hear in the field from the business community and people, this mechanism is working just fine.

Ninety-seven per cent of businesses in Canada employ less than 50 people. Between 1981 and 1989, 81.5 per cent of jobs created in the country were in the small business sector.

For some contracts we have to take into account our GATT commitments; every contract over $204,000 must be open to foreign competitors. Do you know how many contracts that is, Mr. Speaker? Only 4.6 per cent of our contracts fall under this category according to the GATT agreement.

As far as the free trade agreement is concerned, there again certain provisions state that contracts for $25,000 and more must be open to foreign competition. However there are important exceptions which I will specify.

Areas like the police force, the Solicitor General, Justice, Fisheries and Oceans, Communications and National Defence are excluded; therefore, it represents 9 per cent or less of all contracts.

Let me go back to my opening remark. What we have put in place at Supply and Services is working out very well. Contractors say they are satisfied. They wanted to have the opportunity to bid and now they have it; not only that, they can even use their computers and know from day to day what goods and services our government needs. They are then in a better position to bid.

That is why I refuse to discuss this issue further because I feel that the motion proposed by the member is, to all intents and purposes, useless. People say they are happy with the present situation and if ever some improvements are in order, we will be very happy to see what can be done. Representing a riding where unemployment is high and where small businesses want work, you can rest assured that I would be the first one to do whatever is necessary to help them and make sure they have the opportunity to get contracts. As things stand right now, they say they have that opportunity.

[*English*]

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I am very pleased to be able to participate in the debate this evening on this very important motion.

My colleague from Okanagan—Similkameen—Merritt has the vision to be able to see that the current system is not supporting small business and has put forward this motion as a means of asking the members of this House to demonstrate their support for small business and for the Buy Canadian program.

I have first-hand knowledge of many of the small businesses in my area and I can tell you, Mr. Speaker, that it confirms my colleague's concerns.

Last week I visited the Institute of Ocean Sciences, which is a federal facility in my riding, located on Pat Bay, for the commissioning of an oil spill recovery barge. One of the things the Institute of Ocean Sciences wanted to do when the facility was first commissioned was to attract those high-tech, high-paying small business firms to the area so that the spin-offs from the Institute of Ocean Sciences would create employment and create all the spin-off benefits that small businesses generate in my area.

To a large degree that has happened. However, under this government there has been a rejection of that philosophy. It came first in 1989 with the dying of the unsolicited proposals program and those small businesses in the high-tech, high-paying field were strapped by the cancellation of that program.

They also were strapped because of the free trade agreement. The free trade agreement puts additional constraints and penalizes the small business sector in Canada.

Let me give a little background first. Of the number of businesses in Canada, 97 per cent are small businesses with less than 50 employees. That shows us all where the job creation potential is: 97 per cent of business in Canada is small business.

As I was saying, the free trade agreement has put further constraints on small business which has already been constrained by the high dollar, high interest rate policy of this government. Because of those three factors, over 13,000 businesses declared bankruptcy in 1991. I think that demonstrates that we do need some sort of federal initiative to support the small business sector. They are the ones that create the jobs that create tax revenue for our government so that we can pay for our social programs and create a strong economy.

Under the General Agreement on Tariffs and Trade, the federal government does not have to put out to tender those bids that are under $204,000. So the federal government can buy Canadian under GATT if it does not exceed $204,000. This is a fairly reasonable bidding process. Until the free trade agreement that was the relationship between Canada and the U.S. Under that agreement the bidding was dropped down to $29,000, which does not buy a whole lot, particularly in the high-tech, high-paying jobs that we want to create in our country, with the kind of benefits we would have in technology and education.

This would be annoying enough, even as it stands, if it were not for the kind of difference that the United States enjoys. It enjoys an advantage over us because it does not suffer from the same sort of provisions. They have a Buy America Act which protects, to a much greater degree, their small business sector.

• (1730)

In my riding of Saanich—Gulf Island those high-tech environmental technology firms are creating high-tech, high paying jobs, not the Mac jobs that this government is so proud of having created, not the $5 an hour jobs, but real jobs that can support real families, that can support real communities, that add to our tax base, that add to the wealth in our society, that are able to pay for higher education so we can actually have a future for our children and for our country.

What we also have incorporated in my colleague's motion is that there has to be more support for Buy Canada programs, and there has to be.

At the meeting of the Institute of Ocean Sciences last Thursday I was shown a particular computer modelling system and this modelling system was beautiful to behold. It had the map of Vancouver Island on the computer screen and the capability of that facility, as the promotional material showed, is not a computer mapping tool or geographic information system but it is the kind of management tool for making decisions.

It takes the map of Vancouver Island and if I were to ask what if an oil spill happened on Galiano Island, or in the Gulf of Georgia, that computer is able to look at the tides, the wind conditions, all of the situations which would determine where the oil is going to end up. Then our federal resources, the Canadian Coast Guard, the province of British Columbia, would know where to put their resources to clean it up.

This is the kind of technology that is available in Canada that we should be buying, that we should be protecting, creating jobs in our own community. Right now that is not happening and it is because of the sort of wrong-headed approach that the market is the salvation for all things. This government has forsaken those people who have created, who have had the initiative to go out and risk a lot of capital in developing these high tech tools for decision making.

In conclusion, I strongly urge the members of this House to support my colleague's motion, to show some vision for the 1990s and into the next century. We have the capability in Canada to provide the environmental technologies that will benefit not only our own communities, not only our own country, but the world.

I think we have a responsibility to be able to share that with the world.

Please vote yes on this initiative.

[*Translation*]

Mr. Yvon Côté (Richmond—Wolfe): Mr. Speaker, I am pleased to contribute in this debate on a very important issue raised by the hon. member for Okanagan—Similkameen—Merritt.

I easily understand why my colleague would move this motion, which I agree is in itself quite good, but I have serious questions on its relevance.

Let me read the motion, Mr. Speaker, and then I will comment.

> That. . . the government should consider the advisability of developing a healthy small business sector—

I will read the remainder later on.

If my colleague wants to develop a healthy small business sector, it seems to me that this is not a good time to present such a motion because, as far as I know, economic, fiscal and tax policies announced in different budgets, including the last one, did foster through special initiatives the development of businesses so that they may become a healthy sector. We should not forget that small businesses represent two thirds of our economy.

The first part of the motion leaves me unsatisfied, because the development of a healthy small business sector is already well under way.

I go back to the motion:

> —developing a healthy small-business sector in Canada by targeting more federal contracts to the small-business sector—

I will get back to the rest.

A moment ago, my colleague for Jonquière reminded us of some very interesting statistics. If we want to grant federal government contracts in larger numbers, we have to know what the situation is. Let me repeat the statistics recalled by my colleague for Jonquière. Already 90 per cent of the federal contracts are awarded, allocated to the small and medium-sized business sector in Canada. I might also add that through subcontracting from this sector, another 10 per cent of contracts are going to other small businesses. Nearly 90 per cent of those contracts go straight to the small business sector. I realize that we may not have achieved 100 percent, Mr. Speaker, but you have to admit that as currently worded this motion seems to be off the point. For my part I

favour the new program, the new contract allocation policy has found in my own area, in my own riding of Richmond—Wolfe.

Many Chambers of Commerce are intensely involved in favouring the granting of such contracts in their area. I think particularly of the Eastern Townships, and I could also mention Richmond—Wolfe. If already 90 per cent of contracts are awarded to the small business sector, I fail to see how this motion should get our approval. While being virtuous per se, 100 per cent is nothing but wishful thinking.

I now come to the last feature, and I will quote if I may the rest of the hon. member's motion:

> —targeting more federal contracts to the small-business sector and establishing a more aggressive "Buy Canada" program.

Here perhaps could we take most exception to this motion, beyond the virtue it commends. There are obstacles to boosting a Buy Canada program. For instance, we live in an international market framework: there is the free trade with the United States and soon with Mexico, and it is ages since we are exporting and importing outside of those two markets. Canada is already known as an exporting country and its whole economy is largely reliant on export.

What happens? If we introduce what I would call a restrictive policy based directly on the Buy Canada principle, you can easily imagine how our international partners would react to such a policy, as commendable as it may be. The Buy Canada principle obviously has its merits. It is a goal that can be achieved through awareness programs and publicity. It is not hard to figure out that a strict governmental policy to that effect would soon be under attack.

In that regard, the last element may be the most difficult to achieve, whereas the other two that I mentioned earlier are already under way.

Of course, we can use the Canadian content to encourage people to buy Canadian. That is precisely where the policy of this government has played a role. Instead of imposing a restrictive, disciplinary not to say dictatorial policy, we chose other ways to encourage our people to buy Canadian, mainly by insisting more and more on a Canadian content for all our products. It can be done. There were up to nine policies before whereas we have only one today. We have managed to simplify the whole system relating to federal contracts.

That brings me, Mr. Speaker, to tell you this. I understand very well the good faith of my colleague from Okanagan and the validity of this motion. But I am not sure that it has a place here in the circumstances that we know, especially with its wording that causes some problems.

• (1740)

To sum up, as far as I am concerned, we have followed much tighter policies in order to establish and develop a healthier small business sector, and we have made good progress so far. You only have to think about the last tax decreases, incentives to businesses and loans in some cases, all aimed at making credit more easily available. So, I think we have made progress on the first element.

About the second one, as I mentioned earlier, more contracts is exactly what we have achieved with the new policy put forward by the minister these last three years. All businesses have access to government contracts and all managers, presidents or purchasing officers can bid through their own computer. What more can you ask for when you can practically access this information from your own home?

I do not think this second element can be discarded, quite the opposite. It is under way and things are going very well indeed. It is the last element I worry about, and that is why I am dead against this motion, because this third objective seems unrealistic and unachievable.

Therefore, Mr. Speaker, I invite my colleague to reword his motion. Of course, the motion is now before us, before the House, but you will understand why I, among others, will have to stand against the motion on behalf of small businesses, given the achievements of our government.

[*English*]

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, I am very pleased to stand in this House today to speak to the motion which simply calls upon the government to consider the advisability of developing a healthy small business sector in Canada by targeting more federal contracts to the small business sector and establishing a more aggressive Buy Canada program.

I listened quite carefully to the previous speaker and I have read and reread this motion. For the life of me, I cannot imagine why anybody would want to vote against it. It is something that is straightforward and it is nothing more than developing a healthy, small business sector in Canada. I do not think that the mover of the motion could want any more than that and certainly I could not either.

I fully support this motion as I recognize the vital role that small business plays in Canada. Indeed, 40 per cent of Canadians work for small business and between 1978 and 1987—I notice that we all have different figures here—93 per cent of all new jobs were created by small business. These facts clearly show that small business is the engine of growth and new job opportunity in this country.

In October 1990 I wrote in a little local newspaper in my riding of Nepean, *The Clarion*, that these days entrepreneurs are confronted by market globalization, world-wide competition and increasingly demanding consumers. At the same time, the speed of change in world markets is in product development. Even global political systems are accelerating at a rate few would have imagined.

For Canadian small business, each of these changes has brought the issues of quality and productivity to the forefront and many people in the city of Nepean work in small business, as I said previously. Most talk of the need to compete head on with the best companies in the world.

They point out that to do so, our companies must do more than simply match the price, services and design of competitors on a local and regional scale. They must compete on the larger global scale. They must make their wares and services attractive and accessible to an expanding marketplace.

In an era of fewer and fewer trade barriers, consumers all over the world have free access to the highest quality products at the lowest possible prices. The result is simple. We have to become ever more competitive, we have to explore every avenue and take advantage of every opportunity to exploit the marketplace.

What has this government done to help small business in Canada?

As I review the past eight years I do not see much. I look at the GST. I would like to say that I consistently receive letters from constituents who own and work in small businesses. The overwhelming majority of them complain about the burden that has been placed on their businesses as a result of this unfair tax grab.

They write about the cost of and the difficulty in getting access to capital to expand their businesses. They write that the Small Businesses Loans Act and the Federal Business Development Bank do not seem to be in tune with the needs of small business.

At a time when many businesses have gone bankrupt in the last couple of years, I am hearing over and over again that banks are calling loans on small businesses. They are shutting down small business. What are we doing about it? What is this government doing about it? Not very much.

The government failed to reform the bankruptcy legislation until thousands of small firms went out of business. High interest rates combined with a high dollar gave us a made-in-Canada recession from which we are still trying to recover. All this government has given us is a hollow prosperity initiative. It offers no meaningful solutions.

As this motion says, the federal government should endeavour to target more federal contracts to the small business sector and to establish a more aggressive Buy Canada program. This is but one step toward encouraging this vitally important Canadian sector.

But more needs to be done. We have to address the issue of access to capital. We need to have export programs which will encourage small and medium sized firms to look outward. Currently less than 10 per cent of Canadian firms export. This has to be changed. We need to look at countries like Germany which have aggressive export programs.

There is much the Government of Canada could be doing to help small businesses prosper and grow in this country. I believe it is high time something be done. I certainly can support this motion.

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I congratulate my colleague from Okanagan—Similkameen—Merritt for putting forward this motion. I very much appreciate the words of the hon. member for Nepean. It is worth while to draw the attention of members to the wording of this motion because it is wording that members all sides of the House should be supporting. Essentially it says:

That, in the opinion of this House, the government should consider the advisability of developing a healthy small business sector.

I wonder who could possibly be against that. The hon. member for Okanagan—Similkameen—Merritt proposes that we target federal contracts to the small business sector and establish a more aggressive Buy Canada program.

I cannot understand how a government that is thinking properly would reject this motion or reject the ideas contained in this motion, or a government that pretends to be a government for Canadians by Canadians in Canada. It simply does not make sense that government speakers would stand in this House and say, first, that they are against enhancing small business and, second, that they are against expanding the Buy Canada program and providing contracts to small businesses in order to encourage those businesses to grow and strive.

As my colleague pointed out these are businesses, depending on what figures we use, that create somewhere between 80 and 90 per cent of all new jobs in this country.

I heard the Minister of Finance, the Minister for International Trade and the Prime Minister talk this morning about the G-7, the World Bank and international agencies like the OECD, congratulating Canada for having all its fundamentals in the right place.

One fundamental that is not in the right place is jobs. This government should be about creating jobs. Well over one million Canadians are collecting welfare and unemployment insurance; 11.4 per cent of Canadian workers have no jobs to go to.

• (1750)

If the small business sector is responsible for creating somewhere between 80 per cent and 90 per cent of all employment in Canada then, by gosh, rather than having Conservative members standing in this House and rejecting a motion calling for the enhancement of small business by encouraging a Buy Canada program or providing more contracts to small business, they should have been on their hind feet demanding that the opposition present a motion like this one and indicating that they were going to be voting for it.

This is one of the problems with this government. When a motion comes from the opposition it refuses to listen to it. It refuses to accept good advice.

Unfortunately I heard the Prime Minister speaking at a meeting last night, I think it was in Montreal, in which he admitted that he was one of the most unpopular prime ministers in the history of this country because he thinks he was doing the right thing rather than the popular thing.

He is unpopular because he has been doing the wrong thing. He has not listened to Canadians. He has not listened to advice outside his own caucus and outside his own political advisers. That is why he is the most unpopular prime minister this country has ever had.

My colleague presents a very reasonable, reasoned motion. It came from the small business people in his riding and across the country he is in contact with. Yet the government rejects it out of hand. Why? It is because it came from the opposition. There can be no other logical reason for rejecting it.

In a speech a few months ago supporting this motion my colleague pointed out that even our major neighbour to the south, our major trading partner, has a similar program that has been very beneficial to small business in the United States. He pointed out that in 1989, under the U.S. Small Businesses Act, 18 per cent of prime contracts and 39 per cent of subcontracts representing a total value of $59 billion were awarded to small business. Of these, $13 billion in contracts were specifically designated by contractor officers as being set aside exclusively to the U.S. small business concerns.

Our major trading partner, the one we have joined in a free trade agreement, has a policy like this to encourage indigenous small business in the United States, and speakers on the Conservative side express some concern that our trading partners might get a little worried if we have a buy Canadian program for small business.

Everybody is going to be worried if a government that represents itself as a Government of Canada and for Canadians does not support a program like this one. It would be very surprising for me if the Conservative government and Conservative members stood in the House and voted against this motion because they felt it did not make sense. It would indicate they are against small business in Canada if they are against this kind of a

Buy Canada program and support in the form of contracts to small businesses.

There are other areas of small business I would like to talk about for a few seconds before closing wherein this government has taken actions which have had the result of creating problems for small businesses that want to get into exports. A few minutes ago the Minister of Forestry was in the House. He has indicated in past months that he was supportive of secondary manufacturing of forest products in British Columbia.

However, a manufacturer in my riding manufactures furniture and framing component blanks for export to the northeast United States market. He exports them all across the United States to the northeast United States from the east coast of Vancouver Island. He had a problem with one of his receivables. He had a fraudulent purchase of his products. As a result the Export Development Corporation jacked up his premiums on his receivables insurance which just about drove him out of business.

What kind of way is that to support and encourage the development of secondary forest products manufacturing in British Columbia and the development of new export markets by small businesses into the United States and elsewhere in the world?

This government has taken action which has been deleterious to small business in Canada. I really cannot understand it and I cannot understand the attitude on the part of those members who say: "Since we did not think of this motion we are not going to support it". That is basically their attitude. The problem is that they have been taking their own advice for too long. That is why they are unpopular. That is why we have the most unpopular Prime Minister of Canada. That is why at the next election small business people along with other workers and other people in this country are go to rise up and throw the Conservatives out. Why do they not listen to good advice for a change?

This is a motion that is worth supporting. My colleague got the idea for this motion from the small business people this motion intends to support.

I would urge my Conservative colleagues to reconsider the hard line position they have taken against support of this motion. Small business people are watching their attitude about this motion and about small business in general.

I want to wind up by repeating this motion and questioning why Conservative members cannot vote for it. It states:

> That, in the opinion of this House, the government should consider the advisability of developing a healthy small business sector in Canada—

How can they be against that? It continues:

—by targeting more federal contracts to the small business sector—

Are they against that? It continues:

—and establishing a more aggressive Buy Canada program.

How could the Conservatives be against that? They should stand up and support this country for a change and vote for this motion.

[*Translation*]

Mr. Michel Champagne (Parliamentary Secretary to Minister of Forestry): Mr. Speaker, I am very pleased to have this opportunity to speak on this motion. I thought it would be possible to debate it in a non-partisan way, but after listening to my hon. friend from the New Democratic Party I realize it is not to be. He was being extremely partisan when he asked the federal government: "Why don't you listen to the small business sector?"

Since he seems to have a very short memory, I would like to remind him of a few things. When we introduced the last federal budget, which raised the small business loans to $200,000 from $100,000, his party voted against it. They voted against the interests of small businesses of this country, responsible for creating jobs; they voted against helping small businesses get operating capital

and better businesses opportunities. He motions that it is no so, but I remind him that his party voted against the last federal budget.

We have signed regional development agreements with each of the provinces; in the west we have set up a structure to help business, as in the maritimes and in Quebec. We created specific programs in specific business areas.

I would like to underscore another important point. When we were debating Bill C–22, which was to generate major investments in Quebec as well as other Canadians provinces like Manitoba, they voted against it. Today, these same people rise in the House of Commons to tell Canadians that the government is not sensitive to the needs of the small business sector. These same people, New Democrats in particular, were against tax credits to businesses because they allegedly do not pay they fair share. These same members of the New Democratic Party were against the signing of a free trade agreement with the United States, our main financial and economic partner. We trade mostly with the Americans. It is because of them that we can have social programs and policies which allow Canadians to grow in all provinces. It is the North American market which makes progress possible within the Canadian society.

These same individuals said no. But they are proud, for example, of the dispute settlement tribunal that was put in place with the Americans so that we could solve important issues like pork and other issues like lumber, that will come later. When I hear my New Democrat colleague say that the Canadian Minister of Forestry did not defend the interests of the forest producers, I remind him that we signed with the provinces agreements that come to more than $ 1 billion. I remind him as well that our minister defends Canadian forest products everywhere, in Canada, in the United States and in Europe, because we know that in British Columbia, as in Quebec and Ontario, it is extremely important to have a flourishing forest economy.

It is also important that other international communities know that Canada does things perfectly and properly. But where were the members of the Opposition? They were hiding behind their desks, because they were scared to defend effectively the interests of their constituents, their communities and their businesses, as our government and the Minister of Forestry do, as did the Minister of Finance during the last budgets, and as the Minister of Regional Development does, in order that—

• (1800)

The Acting Speaker (Mr. DeBlois): I am sorry to interrupt the hon. member, but the time provided for the consideration of Private Members' Business has now expired.

[*English*]

Pursuant to Standing Order 93, the motion is dropped to the bottom of the order of precedence on the Order Paper.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

DOMESTIC WORKER PROGRAM

Hon. Warren Allmand (Notre–Dame–de–Grâce): Mr. Speaker, on April 28 I asked the Minister of Employment and Immigration why the day before he had implemented changes to the domestic workers program while the standing committee was still studying his proposals of January 30 and the committee had not yet reported. The minister had asked a committee to study certain proposals and before we finished studying the proposals, he implemented the changes he had proposed.

At the time I said this was an insult to the parliamentary committee and made a farce out of so–called parliamentary reform. It is interesting to note that the majority of members on that committee were Conservative Party members and the chairman was a member of the Conservative Party, but despite that the minister ignored the committee and went ahead.

I also pointed out to the minister that not one witness appearing before the committee up until that time had supported the proposals the minister had suggested. As a matter of fact he had not even consulted with any of those witnesses.

Since that time, the committee has tabled its unanimous report. It was tabled on July 28 and it disagrees with the new measures introduced by the minister on April 27. Under the minister's new program, domestic workers must have the equivalent of grade 12 in Canada and six months' full–time training.

It is very rare for domestics to go through to grade 12 in the countries they come from and there is no course for domestic workers in any countries except England and the United States. Where are the people from the Caribbean and the Philippines to get these courses? They may have grade 12 but that is a high level of education in those countries.

Since 1981, when the Liberal Party introduced this program, 60,000 women have come to Canada to serve as domestics. Many stayed and went on to better things. Prior to the minister's changes, a woman only needed one year of experience as a domestic. She did not need a grade 12 education or a formal course. If she had experience of one year working in a home with children, that was good enough to get her into the country as a domestic, if she showed the right sort of compassion and care for children. After two years of good work as a domestic, she was given the privilege of applying as a permanent resident, as a landed immigrant.

The committee unanimously said that it did not want grade 12 or the six months' training to be the sole criteria but that there should be a wide range of flexible criteria, including the experience of the woman as a domestic.

The minister said on April 28 when I raised this question: "If hon. members on the committee come up with recommendations to improve this program I will look at them seriously. I do not think this takes away from the efforts of the committee or the subcommittee".

The report has been out since July 28. We have not had any response from the minister yet. It is true he has until December 24 to respond. However, I am hopeful the government will listen to a unanimous committee report of this Parliament, have respect for that committee and in this case make changes to this program which are reasonable changes and not blindly follow the proposals of the minister.

Mr. Ken James (Parliamentary Secretary to Minister of Labour): Mr. Speaker, in response to the hon. member for Notre-Dame-de-Grâce, I would like to bring to his attention some of the details, some of the background and some of the reasoning for the changes.

As he knows, after several years of consultation the new live-in caregiver program was introduced on April 27, 1992 to replace what was the former Foreign Domestic Movement Program. This program continues to be the government's policy of meeting a labour market demand for live-in caregivers by facilitating the entry into Canada of trained and qualified workers. Several elements of the live-in caregiver program are specifically targeted to reduce the exploitation of domestic workers—which I know he would be concerned about—such as a model contract of employment and more information on the respective rights and responsibilities that they have.

The live-in caregiver program requires a grade 12 education and six months of training in the caregiving field. This reflects the level of responsibility given to live-in caregivers and recognizes the skills required to work independently in a caregiving role.

The education level required under the new program also reflects the realities of the Canadian labour market. Two-thirds of the new jobs in Canada by the year 2000 will require a minimum of 12 years of education.

Last year close to 60 per cent of all persons who landed under the foreign domestic program had over 12 years of education. These education requirements will lessen the chance of abuse as the worker will be better able to understand his or her rights and how to seek redress should these rights be infringed upon.

In answer to the concerns of the hon. member, the government appreciates the sound research of the Standing Committee on Labour, Employment and Immigration on this issue. I want to assure him that the minister and the department are reviewing the recommendations made by his committee.

UNEMPLOYMENT

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, on May 7, 1992, I raised a question with the Minister of Employment and Immigration in which I tried to show the minister that there was an important link between work and education, particularly with respect to young people. I pointed out to the minister that tuition fees had gone up and were continuing to increase substantially,

making it more difficult for these young men and women to stay in school, college and university.

I pointed out that the student debt was going totally out of sight. We now have a debt load that people may never be able to repay. I stressed that there were waiting lists of up to two years for people waiting get into a program, that there were thousands of students as of that date without meaningful jobs. Of the very few jobs that were available, they were short-term, poorly remunerated, they would not last, they were dead end. They did very little to contribute to the education, the training or retraining of that particular person. I found that was really very deplorable.

On that particular date I recall we were not only talking about line-ups of over two years of applications but in one university in the city of Winnipeg, it was estimated that 300 people would lose their jobs. I wanted the minister to understand that these kinds of conditions are really demoralizing. They destroy our cities, our provinces, our country. My question was: Why had the government permitted this to happen?

In response the minister said that they were relying on the prosperity initiative to set things straight. What the minister did not understand is that there are problems that have to be dealt with immediately, today. If there is a fire you do not plan how you are going to get out and when you are going to get out. That should have been done before. You get out. After that you try to make sure that it does not happen again.

There are real needs out there. People are without jobs, tuition fees are increasing, the debt load is skyrocketing. What was the minister doing? Relying upon the prosperity initiative. Then he said: "Let us co-operate".

[*Translation*]

I am quite willing to co-operate. I gave him so may ideas, I do not understand why he did not do anything, nothing at all, six months after having said that.

[*English*]

Here are some of the things I suggested. The 3 per cent tax on student loans for those students who need to borrow so they are among the poorest of the poor students, eliminate it. Do not increase by six months the interest that has to be paid on student loans. Eliminate the GST on books and reading materials. This government had a wonderful opportunity and it denied it, it stopped it.

I said we should make sure we have appropriate summer jobs for these young men and women so they can help pay for the education they want so they can become contributing members of society. I did say stop slashing education, training, retraining, research and development. Come to grips with reality today. Six months later nothing has been done. We are still relying on the prosperity initiative and I fear for the future.

• (1810)

Mr. Ken James (Parliamentary Secretary to Minister of Labour): Mr. Speaker, I am pleased to respond to the concerns of the hon. member for St. Boniface.

The Minister of State for Youth understands perfectly how difficult this summer and last year's have been for Canadians, young and those not so young.

I want to assure the hon. member that the government wants to make it clear that its goal is to assist all young Canadians if it can, those who are entering post-secondary institutions and those who need to get back into high school to complete their diploma.

I guess there are many programs that we could point to and I would like to reiterate for the member's information some of the programs that have been in place this summer. The figures are not in yet but the government expects that some 52,000 students have benefited from the subsidized summer employment program. Some $83 million was spent this summer across the country in seed funding, as the hon. member may know. That is an increase of $3 million over last year.

Again this year seed allocations in certain areas were increased to reflect changing labour market conditions. I know funding was increased in my riding and I would hope that probably they were in the riding of the hon. member. In the metro Toronto area last year the funds were tripled because of the changing economics in the labour situation there.

There is funding under the youth initiatives for 1992-93 set at $211 million and this would reflect the concern of the federal government.

Under the youth CJS program we had 143,000 young people who participated and in 1991 total youth spending under CJS was $446.9 million.

We are spending a lot of money and let us hope it has been well spent.

We have the co-operative education program and the stay in school program and START. Wow, Those programs are very important and they have worked very well.

We appreciate the member's concern and thank him for being concerned about it and bringing it to our attention.

SOFTWOOD LUMBER

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, on May 19 I asked a question in the House of the Minister of Forestry on a very important trade matter that is still before us. It is the whole question of the softwood lumber tariff dispute Canada is having with the United States.

I raised two important questions in that question to the minister that I would like to touch on briefly tonight and hopefully get a response from the government.

The first was the point following the delegation of New Democrat MPs to Washington, D.C. on this issue that clearly the whole basis behind the tariff dispute with the United States is the American attempt to grab our raw resources, in particular our raw logs, and ship them to the United States. They said that to us in very clear terms in Washington and it is clearly an issue that this Parliament and this government are going to have to deal with.

They also raised, as did we, the important issue of how to resolve this particular dispute. At that time the government was saying not to worry, the free trade agreement would save us, the dispute panels that would be set up under the free trade agreement would deal with the softwood lumber issue.

In Washington we were told by the commerce department that it had no opinion on this particular issue and that we would have to wait and see whether, even as weak as they are, the dispute panels can be used to try and resolve this issue. It is ironic that this question is being raised today because today in Washington there was to have been a panel hearing in which the U.S. lumber lobby, using every opportunity it has to try to thwart Canada's exports of softwood to the United States, was to have presented a motion basically suggesting that these dispute panels do not even have jurisdiction on the whole softwood question.

We understand that one of the American panel members, for whatever reason, was not able to attend today so the hearing was put off. It is very clear to all of us who are concerned about this issue from lumber exporting communities that the American political process, from the President on down to the U.S. lumber lobby, will use every effort, legitimate or not, to try and thwart our exports. That is clear from the attempted motion today which will obviously be brought forward at a later date. It is also clear from the recent petitioning of President-elect Clinton, who comes from Arkansas, one of the lumber producing states in the United States. The interest is to triple the current 6.5 per cent tariff on Canadian lumber exports.

It is a very clear and important issue for all of Canada, in particular my home province of British Columbia as a lumber exporter. In this ongoing trade dispute we have seen the failure of the free trade agreement to address this issue. It is a specific example of that. We may have to wait until April of next year before this issue might even possibly be dealt with, and even then we do not know if it is going to be dealt with in Canada's favour.

It is a critical issue, it is one that was raised in May. It is still relevant today, perhaps even more relevant given the whole question of the failure of the free trade agreement to try and resolve this issue.

I would ask the government to seriously review its position on this question. What is the state of this dispute panel mechanism? Can we rely on the government's assurances any more? I ask for some action from the government on this issue.

Mr. Ken James (Parliamentary Secretary to Minister of Labour): Mr. Speaker, I would like to respond to the hon. member for Prince George—Bulkley Valley regarding his question and raise whether article 2009 of the free trade agreement concerning the softwood lumber MOU precludes the appeal of the results of the countervailing duty investigation.

Article 1904 of the free trade agreement provides that either party may request a binding binational panel review following a final subsidy dumping or injury determination in the countervailing duty.

We have exercised our rights under the FTA and we have established chapter 19 panels to rule on the U.S. subsidy and the injury findings. On September 29, 1992 the U.S. Lumber Industry Coalition, as the member may know, filed a motion to dismiss the FTA chapter 19 panel examining the commerce department's final subsidy determination for lack of jurisdiction.

There is no question that the panel has jurisdiction to hear Canada's appeal. FTA article 2009 does not exempt the case from panel review. Canada and the United States have both filed briefs with the panel stating categorically that the panel has the exclusive jurisdiction to hear this appeal. We have confidence in the FTA dispute settlement process which has served us so well in the pork case and as well in the recent case involving live swine exports.

The resolution of this case is a priority of the government and we are resolved to exercise all our rights under the free trade agreement and the GATT in defence of our trade interests.

The federal government, the provinces and, I would like to remind the hon. member, the industry remain united in their determination to fight this case to the very bitter end and I thank him for his concern.

WESTRAY COAL MINE

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I raised the matter of the Westray mine disaster on May 21 and again the following day because there were so many unanswered questions. Six months later those questions still remain unanswered.

I was one of several of my colleagues, including in particular my friend and colleague from Cape Breton—East Richmond, understandably determined to get to the bottom of this tragic affair, as are the families of the 26 men who lost their lives in that tragedy.

Last week's decision by Madam Justice Glube of the Nova Scotia Supreme Court, a decision which is certainly a fair ruling based on the law, leaves the Nova Scotia government with very few options. There is a government which does have some options, the same options it has had for six months and has refused to exercise, the government that sits opposite.

• (1820)

The time has come for this government to relent and to establish a federal inquiry. Nothing in Madam Justice Glube's decision would rule out or prevent this government from taking that initiative and holding its own inquiry.

We on this side and in particular my colleague from Cape Breton—East Richmond are calling today on the government to establish either a public inquiry into this or a standing committee assigned, similar to the one we held into the Al-Mashat affair last year.

That inquiry ought to be held without delay for several good reasons. One is that a dangerous precedent was established in this affair when the interests of political parties clearly overruled advice given by federal civil servants concerned with safety and the economic feasibility of that project. These officials ought to be given an opportunity to testify to that effect without any fear of reprisal.

Second, the Prime Minister must be called to testify as to his involvement in this affair. A senior official of Curragh Resources, Marvin Pelley, said that the Prime Minister was the facilitator in this. The member for Central Nova, the Minister of Public Works, and the premier, Mr. Cameron, stated in interviews with the Halifax paper *The Chronicle Herald* that without the help of the Prime Minister the project would have been killed. That is a direct quote from these men.

Third, the member himself, the Minister of Public Works, has had an involvement in this. He was involved in silencing the opposition of federal bureaucrats on this issue. That is well documented, and that needs to be scrutinized by a public inquiry or a standing committee.

Fourth, a committee of cabinet looked at this matter in 1988. What was it told by federal bureaucrats? Was the advice to proceed? What was the advice? Let us call these people and let us table the documents before a proper inquiry and have this issue out in the open once and for all.

Finally, Clifford Frame has been curiously successful in getting his way with this government in terms of financial assistance for his mining projects, although mining is hardly within his bailiwick.

We need to get to the bottom of this one. We owe it to those people. We owe it to the country as a whole. We owe it to the taxpayers. We owe it to people who believe in safety, who believe that safety ought to be a consideration when we are giving public assistance.

Why was a well ordered and defined decision-making process influenced by questionable political interests? That is just one of the many questions we need to get an answer to. Mr. Speaker, I think you agree we need to get to the bottom of this one.

Mr. Ken James (Parliamentary Secretary to Minister of Labour): Mr. Speaker, the hon. member should know that the federal government does not have the jurisdiction in the area of occupational health and safety.

This is the responsibility of the provincial government. Notwithstanding this fact though, the Government of Canada took a variety of measures consistent with our role as a financial guarantor to ensure that the project he speaks of was technically safe and viable.

The initial environmental assessment, the Acres report, pointed out the key health and safety concerns associated with coal mines and the methods that the company was putting in place to overcome these concerns. All concerns including those pointed out by the Devco report were deemed to be correctable with known technology.

The CANMET review spoke briefly of mine ventilation and spontaneous combustion risk. It concluded that in spite of these technical uncertainties the proposal had no major technical failings. Westray was required to comply with all the appropriate coal mining regulations in Nova Scotia including those dealing with mine ventilation and spontaneous combustion matters and regular provincial mine inspections were carried out.

According to the mining industry, the causes and mechanisms of coal dust explosions are well understood through past research. It is the responsibility of the operators and the regulators to apply that knowledge base in developing control strategies.

We put in place steps to ensure that the company was in full compliance with the provincial regulatory standards and in health and safety. This was monitored on a monthly basis by independent mining consultants. All of these facts were taken into consideration before making the decision to fund this project by the federal government.

DRUG ABUSE

Mr. Sergio Marchi (York West): Mr. Speaker, I am pleased to have this occasion to review a question that I posed to the Solicitor General last May 5, 1992. It had to do with the serious problem of drug trafficking and drug abuse that unfortunately has afflicted all too many Canadians and certainly afflicted all too many neighbourhoods across our country, particularly in a large urban centre like metropolitan Toronto.

I do not want to suggest that we ought to be negative or have a doom and gloom approach to the situation. I believe that we have to lay the cards on the table and begin to realize that some of those neighbourhoods which are under siege by these drug traffickers are in fact losing the battle. Governments are perhaps losing the battle. For average Canadians and their neighbours living in those neighbourhoods and communities, the feelings by long measure are feelings of wanting to triumph over this serious cancer that is spreading and touching the lives of too many Canadians and particularly our young.

Therefore, I have had thousands of names put to petitions deposited on the floor of this House of Commons. I had the opportunity on several occasions of asking the Solicitor General and the Minister of Justice as to what their answer would be on one particular aspect of fighting drugs on the streets. That one aspect happened to be the amendment to the Narcotics Control Act so as to share the assets that flow from any drug seizure. Rather than having all those assets flow back exclusively to the federal treasury, there could be a shared arrangement by which some of those assets would flow back to the local authorities, whether they be the municipal government or the police affiliates or in fact local organizations so that those entities which are on the leading edge of that battle, not those in the background, for instance, as the federal government in Ottawa, would have at their disposal some assets that would further the cause of putting back and stemming what seems to be a growing tide.

To his credit, the Solicitor General has said on a number of occasions, and in fact responded to my question, that he is in agreement with the general principle. He has been saying that for a very long time. He has also been saying for a very long time that legislation to amend the Narcotics Control Act is just around the corner.

It has been a very, very long corner indeed because we have not seen the legislation. We have the good intentions of the minister in his responses to this Chamber, but thus far we have not seen the realization or the fruition of bringing those amendments before the House of Commons at which point I believe there would be relatively speedy passage from all sides of the House because of the urgent need to do so.

Therefore, this evening I am looking forward to perhaps the parliamentary secretary giving us specifics and indicating that in fact we are not only paying lip service to this very urgent need but that the government is prepared to specifically with time constraints and agendas say yes, we are prepared to move and this is when and this is how.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, I think the whole subject is a little more complicated than the impression you might have gathered from the comments of the hon. member.

First of all, I think it should be pointed out that Canada's Criminal Code and its drug legislation does have provisions designed to attack the profit motive in a wide variety of crimes, not just narcotics crimes.

The ability of the Crown to apply for forfeiture of the proceeds of specified offences severely undermines the obvious profit motive for committing those offences.

This is a particularly effective tool in Canada's drug enforcement initiative. Sharing those forfeited assets with other jurisdictions should not be equated with giving the police another tool for the battle against drugs.

The hon. member's questions assumed that the forfeited assets are necessary in order to finance local law enforcement efforts. This seems dangerously close to making forfeitures the driving force for undertaking drug investigations.

The carnage, as he pointed out, caused by the drug trade is the reason behind these investigations. The ability to seize proceeds is an ancillary benefit. Any sharing of that benefit would be undertaken as a matter of fairness and not as the rationale for undertaking investigations. The simple fact is that many other enterprise crime investigations lead to forfeiture of assets, but this has not led to a demand for sharing in order to win the battle against those crimes.

It may in fact be the best indicator that the issue of sharing deserves careful examination, which the Solicitor General has indicated to the House he would do. Perhaps reimbursement of expenses may be appropriate, but viewing law enforcement as a business is not appropriate.

There is a popular myth that suggests that drug traffickers have rooms full of cash available for seizure and forfeiture. This view of assets available from drug seizures may drive the claim for sharing since this is an obvious source for enforcement revenues. I support the active use of our proceeds of crime scheme.

Essentially the scheme separates—

The Acting Speaker (Mr. DeBlois): Order please. Your time has expired.

[*Translation*]

Pursuant to Standing Order 38(5), a motion to adjourn the House is deemed to have been adopted. The House stands adjourned until tomorrow at two o'clock, pursuant to Standing Order 24(1).

The House adjourned at 6.31 p.m.

HOUSE OF COMMONS

Wednesday, November 18, 1992

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*English*]

PORT GREVILLE SHIPBUILDING MUSEUM

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, I would like to add my support for the Port Greville shipbuilding museum. This project is being established in an area of high unemployment and will add greatly to the tourism potential of this beautiful part of Nova Scotia.

Located on the shores of the Bay of Fundy, the Port Greville coast was a prominent shipbuilding region in the days of wooden ships at the turn of the century. This museum will pay tribute to this important piece of our history.

The people of the community have come together and raised a substantial part of the costs, as well as donated a large amount of time and labour. Applications for cost sharing have also been made to the Department of Industry, Science and Technology and the Department of Communications. I will be meeting with the appropriate officials to press for approval of these requests.

The project is genuine, it is worth while, and it is very much needed. The groundwork has been done by the local people and now is the time for government to provide much needed assistance.

* * *

NUNAVUT

Mr. Jack Iyerak Anawak (Nunatsiaq):

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

[*English*]

Mr. Speaker, last week the Inuit of the eastern and central Arctic voted in favour of ratifying their land claim. Linked to that land claim is a process to create the new territory of Nunavut. The Inuit of Nunavut have expressed their desire to be more active partners in the Canadian federation. They have said they want more control over their lives.

The government must do its part by facilitating the transfer of control. Not only must the government ratify the land claim agreement, it must ensure that adequate resources are dedicated to implementing the agreement. Barely 12 hours after the vote results were announced, concerns were raised about inadequate federal implementation funding. Sufficient implementation funding is critical to the success of the land claim agreement.

I urge the government to be fair and generous in these financial negotiations. Do not deny the people of Nunavut the financial resources they need to fulfil the promise of Nunavut.

* * *

[*Translation*]

DRUG ABUSE AWARENESS WEEK

Mr. Gilles Bernier (Beauce): Mr. Speaker, this week is a special week to promote public awareness of drug abuse. This provincial and local initiative is aimed at making us more aware of the impact of alcohol and other drugs on individuals.

Drug-related problems have an impact, either directly or indirectly, on all parts of our society. No single group or agency has the requisite resources to deal with these problems. Only by forming alliances and co-ordinating the efforts of individuals, groups, communities and all levels of government will we ever be able to limit the harm done by alcohol and other drugs.

The government supports this special drug awareness week, and I would encourage hon. members and all Canadians to take part in the activities and special events taking place this week in communities across Canada.

S. O. 31

[*English*]

TRADE

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, the subcommittee examining the North American free trade deal has no advertising budget and is not even an open process.

It is disturbing that the government managed to find $3 million to advertise the NAFTA deal but refused to approve even $15,000 to advertise where and when the subcommittee meetings were taking place.

I was surprised that when the New Democratic Party proposed that the committee hold hearings in every province and territory of this country the Liberals voted with the government that the committee should not travel to my home province of Saskatchewan, to New Brunswick, to Prince Edward Island, to Newfoundland, to Vancouver Island, to northern Ontario, or even to Toronto, Hamilton or Montreal. They also voted against allowing the committee to visit the various communities which have been devastated by the U.S.–Canada Free Trade Agreement.

Why does the Liberal Party not want an open process? I can only guess it is because the Liberals and the Tories do not want Canadians to know that they both support anti-worker, anti-environment trade deals.

* * *

MIDDLE CLASS

Mr. Garth Turner (Halton—Peel): Mr. Speaker, the Canadian middle class is at a crossroads. Taxes are high and confidence is low.

A poll this week highlighted a disturbing reality. More than half of the people polled believed their children would be worse off than they were. This must and can be changed for if the Canadian middle class dies, Canada dies.

How do we change things? The federal government alone cannot do it through fairer taxes and spending cuts, both of which we must accomplish. Others have a role as well. Provincial governments can do the same and reduce the burden of government on middle class Canadians.

The private sector can take more risks with wealth and job creation. Unions can become partners in economic recovery. NDP governments can scrap pro–labour legislation and replace it with the right–to–work laws. Individual Canadians can accept more responsibility for their own lives, reducing the expectation of government hand–outs which this country can no longer afford.

It is time all of us did all we could to reaffirm the backbone of Canada, the diligent, industrious and disciplined middle class.

* * *

THE ECONOMY

Mr. Bob Wood (Nipissing): Mr. Speaker, the economic recession which has held Canada within its tight grip for over two years is a direct result of poor management of the Canadian economy by this government.

The government's mishandling of the Canadian economy has cost thousands of jobs and has increased the reliance of Canadians on food banks and other social services.

In my riding of Nipissing there has been a 30 per cent increase in the number of people who have filed new applications for unemployment insurance over the past three months. Hence 400 more Canadians are forced into the endless unemployment lines.

Accompanying this rise in UI claims is a 100 per cent increase in the number of families utilizing the food bank in North Bay since September. The government has done nothing to stimulate the economy and create jobs. The fact remains there are still 1.5 million Canadians who are out of work.

The time has come for the government to acknowledge that its economic policies have failed miserably and to implement job creation programs which will stimulate the economy and give Canadians hope for the future.

TRADE

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, there is good news for farmers and there is good news for free traders from coast to coast in Canada.

A binational panel established under the free trade agreement rules recently ordered the United States to stop a countervailing action against Canadian hogs and to refund the duties already collected. The refund will total $10 million but is only a small part of the victory.

The major win comes with the decision that Americans had no right to say that Canada's national tripartite program gave Canadian farmers an unfair market advantage. As one Manitoba hog producer said: "With free trade we would have lost this last level of appeal".

The free trade agreement has doubled agricultural exports from Canada to the United States creating many new jobs. I rest my case.

* * *

[*Translation*]

POLITICAL SITUATION IN HAITI

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, recently, Mr. Marcel Gervais, Archbishop of Ottawa and president of the Canadian Conference of Catholic Bishops, wrote to the Secretary of State for External Affairs to condemn the current political situation in Haiti.

Mr. Gervais wrote that on September 24, Mr. Willy Romélus, Bishop of Jérémie in Haiti, narrowly escaped an assassination attempt while spending the night in the rectory of the parish of Des Irois.

Because the situation in Haiti continues to deteriorate and the number of victims of repression is increasing, the Canadian Conference of Catholic Bishops has asked the Canadian government to maintain its position on non-recognition of the *de facto* government in Haiti.

• (1410)

We must publicly condemn the harassment, threats and daily violations of human rights. We must condemn the present authorities who allow this to happen. Decisive action is necessary so that the Organization of American States can intervene actively and effectively.

We must ask the UN to support this exercise. The Canadian Conference of Catholic Bishops is also asking the government to tighten the embargo on military arms and equipment which the junta in Haiti is still able to buy.

* * *

ELIMINATION OF VIOLENCE ON TELEVISION

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, a while ago, following a tragic incident that took her sister Marie-Eve's life, a young girl decided to do something positive for a non-violent society.

Virginie Larivière decided that she had enough of seeing violence on television. She was not the only one who had had enough. Nearly a million and a half Canadians decided to support her efforts to eliminate violence on television.

Virginie Larivière is a living example of what we can do to change things and improve our society. Instead of feeling sorry for her fate and turning inward or complaining, she decided to get involved and fight violence.

We often tell our young people to get involved and do something. Virginie did that admirably and we have no right to remain indifferent to her request and the wishes of the Canadian people.

We must now take concrete action and show Virginie as well as all young people in this country that she did a good thing, the right thing and that change is possible if we really want it.

Congratulations to all the Virginie Larivières in Canada.

* * *

AIRLINE INDUSTRY

Mr. Nic Leblanc (Longueuil): Mr. Speaker, everything indicates that the federal government intends to subsidize PWA and Canadian International.

Such a decision is contrary to the interests of Canadians and Quebecers. The president of the Montreal Chamber of Commerce, Bernard Roy, said that the two carriers should be merged so we do not have to support two lame ducks.

The mayor of Montreal says that it is unthinkable to subsidize only one airline and the same, if not more, financial assistance would have to be given to Air Canada.

I agree. This bail-out is illogical and sheer waste. The federal government is not authorized to further indebt Canada and Quebec just to get votes.

* * *

ELIMINATION OF VIOLENCE ON TELEVISION

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, Virginie Larivière is here in Ottawa today with her parents and the Conservative member for Terrebonne in order to table, in memory of her sister Marie-Eve, a petition signed by over a million people calling for the elimination of violence on television and in our society.

The people of the federal riding of Abitibi strongly supported Virginie's effort to have violent movies on television regulated by March 1993.

I met Virginie today and I can assure you, Mr. Speaker and all members of this House, that Virginie Larivière's team will apply all the pressure needed to win this cause.

* * *

[*English*]

TRADE

Mr. Jim Karpoff (Surrey North): Mr. Speaker, the Liberal trade critic said to Canadians last night on CBC that it was no big deal if the North American free trade agreement was approved.

It is a big deal to Canadian seniors and families. They will have to pay the higher drug prices that NAFTA dictates through Bill C-91. It is a big deal to provincial health ministers and taxpayers who will pay at least $800 million more in increased drug prices.

What has happened to the federal minister of health who promised he would take the concerns of provincial ministers of health about Bill C-91 to cabinet?

Even if the Liberal trade critic still thinks it is no big deal, the word NAFTA means all Canadians will pay more for drugs. Seniors, families and taxpayers all know what the Liberals do not understand. More for drug prices is a big deal.

REFORM PARTY

Mr. Ken Hughes (Macleod): Mr. Speaker, I bring you urgent and pressing news which I have learned from Calgary. I know that you are keenly interested in the future of the nation which is being plotted in the lavish Reform Party headquarters.

Last week the leader who flip-flopped said the federal government should not get involved in the Canadian Airlines issue. This week he says we should. What will he say next week?

Once he was against the GST, then he supported it and now he wants it both ways: Keep it and get rid of it. Once he supported Senate reform, then he campaigned to kill Senate reform.

Many Albertans are asking: What does the Reform Party stand for? We are quite well aware of what it is against.

* * *

PRIME MINISTERIAL APPOINTMENTS

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, do you remember these immortal words?

There will be jobs for Liberals and NDPers too after I have been Prime Minister for 15 years and I cannot find a living, breathing Tory left to appoint.

An hon. member: Who said that?

Mr. Boudria: It was the Prime Minister who said that.

Last week, he was seen scraping the bottom of the barrel or should I say the patronage trough when he appointed his former baby-sitter and chauffeur, Michael McSweeney, to a $100,000 a year job.

An hon. member: Shame.

Mr. Boudria: He appointed his pal, Keith Morgan, to a 10-year appointment on the parole board. Keith got a life sentence to the parole board.

Now the Prime Minister has appointed a former separatist cabinet minister, Jocelyne Ouellette, to a $140,000 high-flying job at the space agency.

Canadians are wondering who will be next. Will it be the hairdresser to the court of appeals, or Clover the poodle to the board of Petro-Canada?

We are all waiting anxiously and Clover is salivating at the thought.

ORAL QUESTION PERIOD

[*English*]

TRADE

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, everybody knows that the new Clinton administration to be installed in two months holds the position of wanting to make some major changes to NAFTA.

Yesterday, the minister for trade said that this government wants to proceed very rapidly with ratification, even without knowing the position of the new administration. He is almost as irresponsible as the NDP members who want to tear up the agreement without knowing if there will be any changes at all.

I want to ask the Prime Minister if he will agree with us that it would be better for Canada and for everyone to wait until we know exactly what the position of the Clinton administration will be before asking Parliament to pass this bill in the House of Commons.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I thought when my friend was standing up to ask me a question on trade that he was going to comment on the very good news we had this morning, with exports to the United States up so far this year, a 10.5 per cent increase.

There is a 10.5 per cent increase in trade to a country that is having a slow economy. It clearly shows the benefits of the free trade agreement and it clearly shows the foresight of this government in entering into a free trade agreement. It also clearly demonstrates that Canadian companies are competing very effectively in taking advantage of the opportunities that the free trade agreement has presented to them.

Regarding the specific question of my hon. friend, he has not stated accurately what I said in committee last night. I said that we would be ready to proceed with legislation at the end of January or early in February, but before taking that final decision we would want to see exactly what the status of the process was in the United States and also to see precisely what Mr. Clinton might have in mind with these parallel agreements that he has talked about.

That was the position that I stated on two occasions to his trade critic last night. It was not as he has just put it in the House today.

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

Would it not be more logical to wait until he knows exactly what the results of the negotiations will be with the new Clinton agreement before coming to this House? In doing what he is doing, he is playing his chips before negotiating. We are asking the minister to go back and negotiate. He should renegotiate not only environmental and labour standards, but he should renegotiate a clear independence for Canada on energy policy. He should negotiate what is a subsidy and what is dumping.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I think if my friend took that position he would be playing right into the hands of the U.S. government. He would be saying that we are prepared to open up everything, that we are prepared to open up culture, health care and all these things that my hon. friend is concerned about.

We have said and what I said quite clearly at the committee last night is that the agreement that we agreed upon with the United States government and the Mexican government is an agreement among three sovereign governments. We expect that the Clinton administration will honour that agreement, and we are proceeding with NAFTA as it stands. What happens on the peripheral agreements, the supplementary agreements, are matters that can be discussed. We are already discussing them with the current administration. But the NAFTA stands.

• (1420)

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I do not understand the minister when he says that the U.S. administration will ask for changes and then claims that the agreement will remain the same. If any changes are accepted by the Americans and the Mexicans, this means a new agreement. My question for the minister is this: Why does he not wait and see what the final position of the new U.S. administration will be, before saying that we are entirely satisfied, because that is not the case. Canadians are not satisfied with the agreement between Canada, Mexico and the United States.

[*English*]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend is saying be prepared to open up the NAFTA. We are not prepared to open up the NAFTA. The people who are affected by the NAFTA, the North American free trade agreement, people who are in the manufacturing sector, the forest products sector, the automotive sector, the cultural sector, have said that this is a good agreement. We are not prepared to open it up because we could stand the possibility of weakening that agreement.

If that is the position of the Liberal Party of Canada—He says he wants to negotiate. I am waiting to hear from his trade critic what areas the Liberal Party would like to renegotiate, and how it would like to renegotiate it. I think he will find that it is not possible to negotiate a better deal than we have already.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, in September I asked the Minister for International Trade to table the government's impact studies on the North American free trade agreement. Instead, the minister tabled a series of promotional papers.

Having now initialled the agreement, and knowing that free trade inevitably does bring dislocation, why is the government unwilling to table today, to share with Canadians, the real impact studies which indicate where jobs will be lost and what specific adjustment assistance will be provided to help those workers and businesses adversely affected?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, so that the House is fully aware of this, last night I tabled about eight or nine studies that had already been made available, which my friend in the New Democratic Party had forgotten that we had done for the House.

In addition to that, I was prepared to discuss the Finance Department report on this, which covers extensively the benefits that will flow from the North American free trade agreement.

In addition, I tabled a bibliography, a listing of some 200 or 300 publications that have been done as to the effect of the North American free trade agreement on the three countries. Surely my hon. friend could have a very effective and very productive time in reviewing all of those.

My hon. friend talks about the impacts. The best way that we could understand the impacts of the free trade agreement was to discuss with the companies and the industries affected as we went through the negotiations just precisely how the various elements of the agreement were going to affect them. This is exactly what we did through the broadest possible consultation process that any government has ever conducted on the negotiations of a trade agreement.

On the question of adjustment—

Mr. Speaker: I think we should move ahead.

Hon. Roy MacLaren (Etobicoke North): The minister knows very well that there are impact studies that analyse the real impact, not a promotional impact but the real impact, of the free trade agreement on Canadian workers and on Canadian business.

One aspect has been brought forward today by the Conference Board of Canada which has stated, and I quote: "As a result of the Canada-U.S. Free Trade Agreement, many Canadian firms are facing fewer barriers to trade with the United States than they face within Canada".

The minister wants to speak about reports. The Macdonald commission, the de Grandpré report, the working group on prosperity have all asked the same question: If free trade with the United States and Mexico is good for Canada, why is free trade not good within Canada?

When will this government commit to a specific timetable and to specific measures to dismantle these harmful barriers within our country?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend keeps talking about wanting to know the real impact of free trade. The real impact of free trade was announced this morning with the announcement that Canadian exports to the United States in the first nine months of this year were up 10.5 per cent compared to the first nine months last year. That is the real impact.

My hon. friend talks about interprovincial trade barriers. I am sure that he read this morning the very good news that the federal and provincial agriculture ministers have taken the very important first step in dealing with the trade barriers between the provinces in the area of agricultural policy.

We agree with the hon. member that it is important that we eliminate these. This was a primary objective that we had in the discussions on the constitutional reform proposals. We were not successful there, but I have a meeting, I believe it is the first week of—

Mr. Speaker: I would ask that ministers try to speed up their answers.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Prime Minister.

It is clear since the House came back that this government has no new ideas on the economy, no new ideas to get Canadians back working. By the way, the real impact studies that we have seen are the impact that the Canada–U.S. trade deal has had with the loss of 350,000 manufacturing jobs and the high unemployment in this country. We have seen the impact of the Canada–U.S. trade deal.

I am very surprised to hear the Leader of the Opposition talk about having the opinions of Mr. Clinton taken into consideration when the Liberal Party and the Conservative Party on the subcommittee on trade have refused to have hearings on NAFTA in every province and every territory so that Canadians can have their say on the NAFTA deal.

I want to ask the Prime Minister this. It is now in the government's hands. Will the government ensure that there is an open process, not by invitation only, so that Canadians in every part of this country can express their views on the proposed NAFTA trade arrangements?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend refers to Canadians in every part of the country in terms of trade. Obviously the consultations that will go on at the special committee will be receiving representations from interested parties.

In respect of individual provinces and regions, my hon. friend will want to note that in the January–September period the 1992 merchandise exports to the United States are 10.5 per cent ahead of January–September 1991, on course to generate a full-year figure of $119 billion and substantially exceed the 1990 all-time record high of $110.5 billion. Now, Mr. Speaker—

Some hon. members: Order.

Mr. Mulroney: Mr. Speaker, my hon. friend asks me a question and yet members of the NDP object to the answer.

Canada's merchandise exports to the United States have been at record levels in every month so far this year, hitting an all-time monthly high of $10.299 billion in September.

I will be happy to provide my friend with a breakdown by province where every Canadian province has substantially increased its exports to the United States since the coming into effect of the free trade agreement.

Hon. Audrey McLaughlin (Yukon): A supplementary, Mr. Speaker, for the Prime Minister.

Clearly there is both a great difference of opinion and experience about the results of the Canada–U.S. trade deal. I say to the Prime Minister: Given yesterday that the subcommittee examining the North American trade deal voted against a New Democratic motion to hold hearings in every province and territory, which means that there will not be hearings in Saskatchewan, the Yukon, the Northwest Territories, Vancouver Island, Newfoundland, New Brunswick, Prince Edward Island, Toronto, Hamilton and—

Some hon. members: Oh, oh.

• (1430)

Mr. Speaker: The hon. member has referred to something in a committee but I do not think a question has been put. Is the hon. member putting a question?

Ms. McLaughlin: Yes, Mr. Speaker, my question is for the Prime Minister.

Why will the Prime Minister and this government not initiate an open door policy to hear what Canadians have to say on NAFTA, which is surely the economic constitution of Canada. Will he make sure they are not just hearings by invitation only but that there are hearings in every province and territory in the country?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, as I have already indicated, I am sure that the minister and the committee make their own rules with respect to hearings.

Some hon. members: Oh, oh.

Mr. Mulroney: I apologize for that hilarious remark, Mr. Speaker.

Mr. Tobin: More nerve than a bad toothache.

Mr. Mulroney: Exactly, Brian. When they meet they will probably want to consider some simple facts. When Albertans come before the committee, my hon. friends from the NDP can ask whether it is true or not that Alberta's exports to the United States have risen exactly 30 per cent from 1988 to 1991.

Mr. Langdon: How about Saskatchewan?

Mr. Mulroney: My hon. friend says, how about Saskatchewan. Saskatchewan's exports have increased 18 per cent from $2.0 billion to $2.3 billion.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, what the government does not seem to realize is that there are many people in this country who have seen their plants and their jobs move south, who have seen the results of the Canada–U.S. trade deal and want to have a say and to bring forward their experience to parliamentarians who make the decisions on these very important issues.

Do I understand that the Prime Minister is in favour of very limited hearings on the NAFTA deal, and there will not be hearings in every province and territory? Is the Prime Minister in favour of having invitation only hearings for Canadian people on the NAFTA deal?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I am in favour of wide-open discussions on trade agreements. In fact, I am even in favour of elections on trade agreements.

Some hon. members: Oh, oh.

* * *

[*Translation*]

STEEL INDUSTRY

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my question is directed to the Minister of Industry, Science and Technology.

With its trumped up charges of dumping, the U.S. steel industry has engaged in a fight to the finish with Canadian steelmakers to cut us out of the U.S. market. Recently, representatives of the industry throughout Canada had to publicly speak out against the Canadian government's lack of response and support.

My question is this: Why is this government casting aside Canadian steelmakers? Why will it not do everything it can to safeguard the jobs of thousands of Canadian workers?

[*English*]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I do not know who my hon. friend is talking about. I have met with senior executives of the steel companies, senior executives of the unions, senior representatives from the city of Hamilton and the city of Sault Ste. Marie on occasions during the course of the past year. I have stated very clearly to them the concerns we have with regard to the action that the United States is taking in the question of anti-dumping.

The Prime Minister, myself, our ambassador and other officials in Washington have discussed with the administration the possibility of a U.S.–Canada steel pact similar to the auto pact. We have not given up on the possibilities of that. There is also a possibility that with the change in administration we may have a greater chance of seeing that type of arrangement go forward.

However, these are matters that are continually on our platter. We are also working hard to make sure that the best interests of the steel industry are put forward in our discussions.

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, representatives of the steel industry went public on a CBC broadcast about 10 days ago and said there was a lack of support from the government. They also clearly said that the imposition of countervail duties by Canada was insufficient.

The minister has now said publicly that he is prepared to support a North American steel pact. We are delighted to hear that. The minister blew it in the NAFTA negotiations. He now has a chance to recoup. Bill Clinton has said that as a condition precedent to his signing NAFTA he wants to see new parallel agreements.

Will this government make a condition precedent to us signing NAFTA, the signing of a North American steel pact? Put your money where your mouth is.

Mr. Speaker: Perhaps members might all consider exercising just a little bit of self-discipline for the rest of Question Period.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend has to realize that time is of the essence with regard to the matters before the steel industry today. It is essential that we deal with these matters as quickly as possible. That is why we are having meetings with our industry and with the U.S. administration and with the new administration as soon as the appropriate people are in place.

We will continue to do that, but my hon. friend should be very careful in the way he phrases his questions, not to leave the impression that there will be more trade barriers between the United States and Canada. That might make it more difficult for Canadian ship owners to purchase ships and to operate the ships between the two countries.

Ms. Copps: Mr. Speaker, we agree with the minister that time is of the essence. That is why we have to ask how serious the government is when the Conservative chairman of the steel caucus has not called a meeting in two years. We wonder if his colleagues should not share the concern of the minister that indeed time is of the essence.

* * *

CHILD POVERTY

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Prime Minister and it concerns the fact that two years ago he co-chaired the United Nations world summit on children. At that conference he stated that the number one priority of his government was to combat child poverty.

The reality is that in the last 10 years the number of children using food banks in Canada has increased from zero to 700,000.

If the Prime Minister was serious about combating child poverty, why did his colleague in the House state yesterday that he did not even have a program to combat child poverty?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I will not comment on the absence of the member. We appreciate when she is not here because we avoid that kind of statement which is absolutely false.

Yesterday we said that Canadians will never accept poverty for children. We will fight and struggle against it. We budgeted $3 billion last year. However, it is not just a question of money, it is a question of society. Liberals had the same problem when they were in power. We have the problem and we have improved the situation, but children today face a lot of challenges.

However, we will continue to fight. I hope that if the member has good proposals to make to improve the situation, she will write me and tell me exactly what she believes should be done. In the meantime, she should once again recognize that the money we have put in and the programs we have put forward have helped Canadian children in the fight against poverty.

[*Translation*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, what is false here is the minister's statement that children are better off today than they were 10 years ago. Does he realize that in Canada today, 700,000 children go to food banks? Ten years ago, young people did not go to food banks.

• (1440)

Why did the minister admit in this House yesterday that there was no established policy, when two years ago, his Prime Minister made it clear to the entire international community that his number one priority was the child assistance policy, which is no longer true today?

Hon. Benoît Bouchard (Minister of National Health and Welfare): It is amazing how the hon. member manages to say at anytime whatever comes into her head, even if it is completely inaccurate. There were always food banks for children, even when the hon. member's party was in power. In every society there have always been children who were helped by volunteer groups. I suggest she ask the World Health Organization and the United Nations Council on Children which stated that the policy developed by this Prime Minister after the children's summit and based on children at risk

and on child benefits was one of the best in the world. I suggest she do her homework before talking through her hat in this House.

* * *

[*English*]

NORTH AMERICAN FREE TRADE AGREEMENT

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, my question is for the Prime Minister. During the recent referendum debate, the Government of Canada spent $350 million to make information available to Canadian people about what they were voting on. During that referendum debate an additional $3 million of taxpayers' money was spent to send out a government propaganda piece in favour of the North American free trade agreement.

In the face of these expenditures, can the Prime Minister tell me whether or not the people of Canada are entitled to the same access on NAFTA? Why is it we are not allowed to spend one penny to advertise that we are having committee hearings in five cities across this country on NAFTA?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I hope the figures used by my hon. friend in future will be more accurate than the one he just used. He has seriously mislead the House and the Canadian people. This government and this Parliament never spent $350 million on information in respect of the last referendum.

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, if I am to be corrected by the Prime Minister, may I make this request? Is the government willing to spend one-tenth of what it spent on advertising for the referendum to inform the people of this country where hearings are being held?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, when my hon. friend ceases using numbers then all of a sudden he becomes more reasonable and his argument is easier to deal with.

Obviously one-tenth of $350 million is one thing, one-tenth of an infinitely more modest figure is another, and I will be happy to refer my hon. friend's request to the chairman of the standing committee.

POVERTY

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, my question is for the minister of health. Yesterday Campaign 2000 released its report on poverty. I hope by this time the minister has had an opportunity to read it.

This report states that a mother with two children receiving the greatest benefits will get a whole extra 46 cents a day per child with the new child benefit. Will the minister explain to these women exactly what sort of improvements will come into the lives of their children at the rate of 46 cents a day?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, in any benefit package for children, we are trying to determine, first, what we have to do and, second, whom we will target.

The hon. member knows very well that the tax benefit package has been determined to target the low-income earners, those who want to remain in the labour force with an income between $10,000 and $20,000.

Five hundred dollars more per family per year represents a modest amount of money. But for a woman with three children in Toronto receiving $45 more per month, it may permit her to buy a little more food and clothing. You will understand that for her it is very important. This is the reason that package has been considered by Canadians as once again not answering all the problems but the government is giving it its best effort.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, my supplementary question is for the same minister. The minister always responds to these questions with the same answer that the government has no money.

The government is a system and has an approach to making choices. The government has made choices on how to spend $160 billion a year. The government has decided to spend $24 million promoting its agenda for prosperity.

Did the minister not oppose this? Did the minister not stand up and say: "No, put that money toward children. Quit wasting money on such a publicity stunt". Where is the minister when we need somebody to speak out for children?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I would like to compare figures with my hon. friend.

Yesterday, I said that this government spent $3 billion for children during the last year. It puts $15 billion a year in all departments and you are talking to me about $24 million. I tell you that the government has put $15 billion—

Mr. Speaker: Order. The hon. minister would want to put his comments through the Chair as members do.

* * *

HEALTH

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, my question is for the Minister of National Health and Welfare.

Forty-three per cent of Canada's haemophiliacs, 800 men, women and children, are HIV positive as a result of receiving tainted blood. Half of those people have AIDS. This is not a partisan issue. It is for that reason that we in the opposition are proposing the following.

Will the minister and the Government of Canada immediately establish a fully independent inquiry, independent of governments, bureaucrats and politicians? Will the minister assure this House that this inquiry will be conducted by Canadians of the highest calibre and of the highest qualifications?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I appreciate the question. I believe that Canadians need to have full confidence in the blood management system in Canada. I cannot give to my friend an absolute guarantee that we will put forward today a full inquiry in terms of the assessment of all that has happened with contaminated blood particularly from 1976 to 1987.

However I say that we are in touch with all the stakeholders. We are particularly in touch with the Red Cross. We are in touch with the Canadian Hemophilia Society. The department has been advised that if there is any reason to believe that something happened which would determine that it is a necessity to keep the full confidence of Canadians in the system we have now, I would not hesitate one second. For now and for the victims themselves, Mr. Page and even Mrs. Lucie Pépin, the executive director of the Hemophilia Society, said she does not want an inquiry now.

I repeat for all Canadians. If we had any reason to believe that it would be better to have an inquiry or investigation I would ask for one immediately.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, several hundred Canadians have AIDS as a result of blood transfusions. I have visited Casey House in Toronto. I have talked with these individuals. They are suffering and time is running out.

What plausible reason can the Minister of National Health and Welfare give to this House by denying Canadians a full public inquiry conducted by individuals of the highest calibre and the highest qualifications? What conceivable reason can the hon. minister give this House?

• (1450)

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I have also visited from Newfoundland to Vancouver many sites and hospitals where there are people with AIDS. I totally share the concerns the hon. member has.

Once again, having said that, to trigger a full investigation or inquiry the minister would have to have an honest conviction that this inquiry would provide to Canadians something we are not able to provide otherwise. Once again, the Red Cross, which is a highly considered organization in Canada, and the Hemophilia Society have not requested this so far. I assure my hon. friend if that request happens and I believe there is a necessity, I will act accordingly.

* * *

THE VALOUR AND THE HORROR

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, my question is for the Minister of Communications.

The minister will know that the CBC ombudsman has declared what veterans across Canada have known for a long time that the documentary *The Valour and the Horror* is misleading and is historically wrong. That film is being distributed by the National Film Board.

In view of the condemnation of the documentary drama by the CBC ombudsman, will the minister direct the National Film Board not to distribute that film? Will he withdraw the film so that it will not be shown in schools and other institutions as a result of distribution by the National Film Board?

Hon. Perrin Beatty (Minister of Communications): Mr. Speaker, as my hon. friend will know, since the creation of the cultural agencies the government has maintained the principle of an arm's length relationship between the agencies and government.

The hon. member correctly points out that the CBC has put in place a procedure where people who feel aggrieved have the opportunity to have a fair and independent examination made of whether or not programming it shows meets adequate standards.

The government film commissioner and the chair of the National Film Board indicated just last week that she is studying the ombudsman's report. I think it is appropriate to allow her to do so.

* * *

TRANSPORTATION

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

Every day we see the disastrous results of the deregulation policies introduced first by the Liberals and continued by the Conservatives. Yesterday as this House knows, the CPR announced its intention to abandon its Atlantic lines east of Sherbrooke, Quebec. This morning on CTV's *Canada AM* the general manager of that company indicated that this was the beginning of the end of rail competition from Thunder Bay to the Atlantic Ocean.

My question for the Minister of Transport is the same as it was yesterday. Is the minister prepared to give a policy directive to the National Transportation Agency to order it not to accept any applications to abandon any main lines by any railroad anywhere in Canada?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, since the hon. member has indicated that it was the same question as yesterday, my answer would have to be the same.

We have put in place a system whereby a railway company that wants to abandon a section of its operation addresses its request to the National Transportation Agency which is an arm's length agency to the government.

This is the process that has been started. It will be examined. Every player, every stakeholder, every group, every person that wishes to question the advisability of this will have the occasion to appear before the NTA and in due course the NTA will render its decision. Then it is up to the cabinet and the transport minister to examine the findings and make a decision at that time.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I want to remind the minister that this country was built on transportation and it was built by the policies of the government of the day focusing on transportation. The government just cannot wash its hands of it and leave it to the marketplace or the National Transportation Agency.

I want to turn to the other crisis in transportation and that is in the airline industry. I want to ask the Minister of Transport if he is prepared to call in the presidents of Air Canada and Canadian and tell them it is time to cease and desist this crazy kind of war they are having. Also, will he advise Canadians what the government is prepared to do in terms of protecting that industry and to ensure its long-term survivability, and will he make a commitment to turn back the clock and go back to regulation so we can have long-term stability in the airline industry?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I wish that the member had some continuity between the comments he made in his first question and the comments he made in the second question. He talks about reregulation and having a process.

This is exactly the process that was put in place in order that all cases concerning rail abandonment would be examined by an independent body to determine whether they were right in wanting to abandon that rail line. You cannot have your cake and eat it too. Either we have a process and we follow it, or we do not have a process.

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, my question is also to the Minister of Transport and it is strictly on the rail side and the announcement of Canadian yesterday that effectively guts Canadian operations in eastern Canada and cuts the Gordian knot that used to tie this country from coast to coast.

I understand the answer so far from the minister. However, has the minister now in his hands the report of the royal commission on transportation? If he has, will he make sure it is released forthwith in that it might impact on this whole question of abandonment of rail lines?

While he answers that, he could also answer the part of the question put yesterday when he referred to the NTA and the study of the act and the report that is supposed to be coming forward in January 1993 on the effectiveness of the act. Could the minister make sure that report does come through so it will have some effect on the hearings of the NTA before the abandonment process is completed?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I am happy to answer that, yes, we have received the report of the royal commission that was instigated and instituted by the Prime Minister in 1989. I am happy to report that the commission has completed its work on time and under budget and that the committee examining the NTA will also report on time and under budget before January 31, 1993. The tabling of the royal commission report is going to be very soon.

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, I thank the minister for those answers. I refer to the question from my hon. friend with regard to the official from CP saying yesterday and today that what happened in Atlantic Canada yesterday is, perhaps, going to happen in Quebec and Ontario.

Would the minister seriously consider calling in CP to see how valid that statement is? If we are talking about abandonment because of all the realistic factors that are considered then Atlantic Canada will not feel discriminated against as being a guinea pig. This process would also include those portions of Quebec and Ontario that are also under consideration.

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I would suggest to the member that the NTA hearings are going to be held precisely for the people, groups, companies and the municipalities and provinces that want to question the decision of CP and the mathematics of it. They will have the occasion to do that in front an independent body.

In the meantime, we will receive the report of the committee examining the NTA and when the NTA gives its final answer to the requests of CP we will have the benefit of all these elements in place to make our final decision.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, I cannot help but follow up on the remark made by the hon. member for Thunder Bay—Atikokan. This Saturday, I will have had the privilege as others of serving in this House for four years and I thought I had heard it all, but a New Democratic member from Ontario talking about disastrous policies?

Some hon. members: Hear, hear.

Mr. Speaker: Perhaps the hon. member could put his question.

Mr. Keyes: The $1 billion lawsuit filed yesterday by Canadian Airlines is just further proof of an industry in decay due to this government's stalling. When is the Minister of Transport finally going to end the fears and uncertainty of over 16,000 employees of Canadian airlines and end this crisis in Canada's airline industry?

• (1500)

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I point out to the hon. member that we received a concrete proposal from PWA and the employees last Tuesday. Since that time we have been exercising due diligence to find a solution that will assure us of a viable airline industry in the interest of all Canadians.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, the clock is ticking. Canadian employees do not have much time. I have been getting the same answer from the Minister of Transport all week so I will ask my supplementary question of the Minister of Finance, himself a former Minister of Transport.

Is the Minister of Finance prepared to show the leadership necessary to save the thousands of jobs in western Canada, in Calgary and Edmonton, or is he too prepared to inflict more economic damage on this country?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I indicated earlier that we were very much concerned and impressed by the fact that the employees of Canadian Airlines and PWA have come forward with voluntary concessions in their wage package and have also decided to invest in their own company through payroll deductions.

This is why we are at the table at the present time trying to find a solution that will save these jobs.

* * *

SMALL BUSINESSES

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, my question is for the Minister of State for Small Businesses and Tourism.

The small business community is having a very difficult time getting banks to lend it money whether through an SBLA or through a regular loan. If they do lend money to small business, the security or collateral demanded is extremely onerous. This is slowing our economic recovery.

Is there any indication that the banks are changing this policy, and is the government doing everything it can to convince them to do so?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, that is a very timely question. I have just met with the banks and the Canadian Bankers' Association.

They have reported to me a slight increase in dollar amounts of loans to small business. They have also reported to me that they have frozen their service charges for up to two years in the case of most banks. This, though, is not enough when we have the FBDB increasing its loans 13 per cent in 1992 alone.

Therefore I have been working with them this week to make sure that the Small Businesses Loans Act, which is a federal government guaranteed program, is well publicized, well communicated, and that their personnel are well trained to use it, not only the present SBLA which we are slightly amending right now in the House but any future changes.

Together with the over 4,000 loans the FBDB has made, FEDNOR, ACOA, WD, our program in Quebec and our Canadian Aboriginal Economic Development program, we are moving on all fronts to try to help the small business community.

[*Translation*]

PRESENCE IN GALLERY

Madam Deputy Speaker: I draw the attention of members to the presence in the gallery of parliamentarians from Benin, Cameroon, the Central African Republic, Congo, Gabon, Mali and Rwanda.

Our distinguished guests are now attending the seminar on parliaments, governments, human rights and democracy being held this week here in our Parliament.

* * *

[*English*]

POINTS OF ORDER

NORTH AMERICAN FREE TRADE AGREEMENT

Mr. Nelson A. Riis (Kamloops): Madam Speaker, there may be a slight problem. Right in the midst of launching the public hearings on NAFTA I called the office to obtain copies of NAFTA and was told that there were no copies left and that they do not plan to print any more. If we are going to ask Canadians to respond at public hearings and they are asking now for copies of the agreement to respond intelligently, we should take some steps.

I realize that floppy disks are available for those people who have computers, but if they want to read hard copy I am told it is not available.

We are lucky the Minister for International Trade is still here. Perhaps he could enlighten us on when copies may be available.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Madam Speaker, my hon. friend is correct. The text is available on diskette and if a person does not have the equipment to use a diskette, it can be taken to a print shop and a copy can be printed up.

We are reviewing the matter to see whether it is appropriate to have another run of the text made available in addition to the diskette.

REFERENCE OF PETITION TO STANDING COMMITTEE

Hon. Perrin Beatty (Minister of Communications): Madam Speaker, I would seek unanimous consent of the House on this point of order. I would ask, notwithstanding Standing Order 36, that I be allowed to move:

That the petition by Virginie Larivière on violence on TV be received by the House and referred to the Standing Committee on Communications and Culture for its consideration.

There has been some discussion among the parties with regard to this matter. I believe there might be unanimous consent.

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, this is a very unusual point of order. We have not arrived at the point when petitions are presented.

The minister is probably anxious to get back to his duties in terms of his leadership campaign. I just want to indicate to him that we would consent to having the petition tabled at this time. It is totally out of order because if follows—

Madam Deputy Speaker: Order, please. We are all aware that the petition was not presented in the proper form and that unanimous consent was sought to present the petition. Is there unanimous consent?

Some hon. members: Agreed.

Madam Deputy Speaker: The hon. member for Glengarry—Prescott—Russell is rising on a point of order of which I have notice. I see the hon. member for Winnipeg Wascana is seeking the floor as well.

At this point there should be a moment of recognition for one of our former colleagues. If other points of orders could wait until we are finished with that matter, I would appreciate it.

On the same point of order, the hon. member for Winnipeg Wascana.

Mr. Bill Blaikie (Winnipeg Transcona): Madam Speaker, Winnipeg Transcona is the name of my riding.

I wanted to rise in order to indicate the agreement of the New Democratic Party caucus with the motion by the hon. minister that the petitions gathered by this young woman be accepted by Parliament and be referred to the appropriate committee.

Perhaps it should have come at another time. The point of the opposition House leader is well taken, but this is when it has been presented and I do not think we should muddy the waters at all. I think we should make it absolutely clear that Parliament has taken this decision on behalf of this young woman who collected these petitions and who is concerned about violence on TV.

Tributes

We all ought to be concerned about violence on TV and this is one of the ways that we can show it.

[*Translation*]

Mr. Louis Plamondon (Richelieu): Madam Speaker, we gladly accede to such a recommendation and such a resolution. We salute this girl's tremendous courage. After the hardship she suffered, she can indeed be a model for us. But perhaps the most important lesson to learn is that we should listen to children more often.

[*English*]

Madam Deputy Speaker: I thank all members, and I wish to apologize to the hon. member for Winnipeg Transcona for having mispronounced the name of his riding. I should know better. He is quite right.

* * *

THE LATE ANTHONY ROMAN

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Madam Speaker, I rise to pay tribute to Anthony Roman, a great Canadian who died unexpectedly on Friday, October 30, 1992, while recovering from brain surgery.

Anthony Roman was born January 17, 1936 in Velky-Ruskov, Czechoslovakia. He immigrated to Canada on June 19, 1937.

As a young man, Mr. Roman attended St. Michael's High School in Toronto and later attended the Ontario Agricultural College in Guelph.

Tony Roman's interest in politics was apparent early. He was elected a ward councillor in the township in 1966. He became deputy reeve in 1968, and when the town of Markham was formed in 1971 he was elected its first mayor.

• (1510)

Tony Roman served the people of Markham with distinction for over 20 years. This record of service included being chairman of the Regional Municipality of York in 1984.

Also in 1984 he ran successfully as a member of Parliament for the riding of York North. While sitting as an independent MP in Ottawa, Tony Roman served on the public accounts committee and on the panel of chairmen for legislative bills.

I believe Tony's first love was being mayor of Markham. Under his leadership and guidance Markham grew from a small village to a prosperous, energetic town of over 150,000 residents.

As Acting Mayor Frank Scarpitti said:

> When you thought about Markham you thought about Tony Roman.

York Region Chairman Eldred King said:

> He's made a great contribution to the town of Markham and the region of York for over 22 years. He will be missed.

In closing, our love and prayers go out to Tony's wife Elsie, sons Michael and Edward, daughters Maria and Paula, and his father George.

Mr. Maurizio Bevilacqua (York North): Madam Speaker, Anthony Roman was my predecessor as the member of Parliament for York North, and his commitment to those he represented has always been an example for me.

Mr. Roman was a public servant; he devoted his life to serving and helping people. More than almost anything else he loved his town, Markham, and contributed greatly to its growth and advancement. I know that Mr. Roman will be greatly missed by everyone in Markham, in York region, and by those he served with in this place.

His long and esteemed career began in 1966 when he was elected as councillor in the township. Mr. Roman went on to serve as deputy reeve and was elected mayor of Markham in 1971.

He served with distinction in that post until 1984. He was also the regional chair of York region that year. 1984 was also the year Mr. Roman was elected as member of Parliament for York North.

It is a mark of his singular appeal that a man who ran as an independent in 1984 was rewarded by the electorate with its trust. He honoured that trust as a a member of Parliament and devoted himself to defending the interests of his constituents above all else.

In 1988 Mr. Roman returned to municipal politics and once again was elected as mayor of Markham, a position he held until his untimely passing last month. In losing Tony Roman the town of Markham and York region have lost one of their most tireless champions.

On behalf of the leader of the Liberal Party of Canada, our caucus and our party, I would like to offer our most heartfelt sympathies to his wife Elsie, his sons Michael and Edward, his daughters Maria and Paula, and his father George. Our thoughts and prayers are with them.

Mr. Neil Young (Beaches—Woodbine): Madam Speaker, when Tony Roman was elected to the House of Commons to represent the constituency of York North in 1984 he brought with him a wealth of experience from having served for many years at both the regional and municipal levels of government. In the four years of his service in the House of Commons he drew on that experience to bring the concerns of his constituents to this House and to the committees on which he served.

After he chose not to seek re-election to the House of Commons in 1988 he went on to become the mayor of his community and continued to serve in that office until his untimely passing on October 30, 1992.

Tony Roman will be sadly missed by the people of his community and by the people of Canada as a whole.

On behalf of the New Democratic Party, I want to express our sincere condolences to Tony's wife Elsie and to their children Michael, Maria, Paula and Edward.

Hon. Bob Kaplan (York Centre): Madam Speaker, I mourn also for Tony Roman and want to put on the record the fond memories that I have of working with him in his public life and the commitment that he had to the people who elected him to be here.

I think he was one of the least partisan of all of the members of this House, always ready and willing to work and share with us in the interests of serving all of our constituents better. He was a wonderful representative of Markham and he will be missed.

I want also to add that when the story is written one day of the history of liberation of eastern Europe, and particularly the part of it that his family came from, which is Slovakia, that no small part of the work of liberating that part of eastern Europe is to the credit of the Canadian communities of immigrants from those parts of the world.

Mr. Roman was a proud member of one of the families from Slovakia who worked tirelessly for advancing the interests of democracy and the interests of freedom in the part of eastern Europe from which they had come.

I know about some of the things that they did and I commend them. I look forward to other Canadians becoming aware of what it is that was done by him in the spirit of opening up freedom and democracy in that part of the world. He will be missed and I send my own wishes to the members of his family, whom I know, and to all of those who mourn for him.

Mr. Alex Kindy (Calgary Northeast): Madam Speaker, I knew Mr. Roman when he was elected in 1984 and I sat beside him for a while. He was a great man. He was elected as an independent member and, as was said, he was not partisan. He co-operated with everybody. It is tragic that he died and will not see his home country of Slovakia become independent on January 1, 1993.

Mr. Roman was a devoted family member, he was a devoted Canadian, and served his country very well. My sympathies go to his wife and his children.

* * *

POINT OF ORDER

TRADE

Hon. Roy MacLaren (Etobicoke North): Madam Speaker, I shall have the opportunity to review the "blues" in a few minutes, but I did want to respond or seek some clarification of the statement made by the leader of the NDP during Question Period.

It was to the effect that the Liberal members on the subcommittee on trade had voted against the committee travelling to all provinces and territories of Canada. In fact, the subcommittee had agreed in September to undertake some extensive travel. The motion yesterday would have had the effect of delaying that travel and closing off the opportunity to travel to the additional points at a later date.

I can assure the member from the NDP that in fact we support travel across Canada, full hearings on NAFTA, and we are ready to extend that travel if funds permit.

Madam Deputy Speaker: On the same point order, but before recognizing the hon. member for Esquimalt—Juan de Fuca, I would like to point out to the House we are referring to something that first happened in committee and now we are getting into a debate. As I have listened to the hon. member for Etobicoke North, I will now listen to the hon. member for Esquimalt—Juan de Fuca.

Mr. David Barrett (Esquimalt—Juan de Fuca): Madam Speaker, just to put the record straight, the motion did not delay any action by the committee but added to the committee's activities. No specific dates were set for the end of those hearings and I am afraid the record is

correct as presented by the leader of my party. The Liberals did vote against a motion to provide hearings right across this country in every province.

Madam Deputy Speaker: We will not get into debate on this subject at this time.

• (1520)

[*Translation*]

We now proceed to tabling of documents. The hon. Minister of Transport has the floor.

Mr. Corbeil: Madam Speaker, pursuant—

Madam Deputy Speaker: Just a moment. I just said, and I will gladly repeat it in French for the hon. member for Richelieu, that I certainly did not want this to turn into a debate because we started by talking about something that happened in committee. I think that we have heard both sides of the coin and I would really want us to get on with Routine Proceedings now. That is why I already recognized—

I would really like us to go now to Tabling of Documents, unless the hon. member really has—

I do not see why we would start a debate now on this subject.

Mr. Plamondon: Madam Speaker, on a point of order, I agree not to talk about that subject, but I will tell you that I am very surprised by your lack of patience with a member of the Bloc Quebecois as compared to the other two parties.

Madam Deputy Speaker: I think that the hon. member's remark is out of place.

Even before the hon. member rose, I said that I thought it was time to end a debate that was not appropriate now, long before the hon. member decided to get up. Believe me, I would have had the same answer for anyone who rose in this House for the same reasons.

We now proceed to tabling of documents.

ROUTINE PROCEEDINGS

[*Translation*]

CANARCTIC SHIPPING COMPANY LIMITED

TABLING OF 1991 ANNUAL REPORT

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, pursuant to Standing Order 32(2), I have the honour to table, in both official languages, the annual report for 1991 of Canarctic Shipping Company Limited.

* * *

INTERNATIONAL ASSEMBLY OF FRENCH-SPEAKING PARLIAMENTARIANS

PRESENTATION OF REPORT OF ACTIVITIES OF CANADIAN SECTION

Madam Deputy Speaker: Pursuant to Standing Order 34, I have the honour to present to the House, in both official languages, the report of the activities of the Canadian Section of the International Assembly of French-speaking Parliamentarians at the meeting of the working group on the AIPLF's future held in Paris from July 8 to 10, 1992.

* * *

[*English*]

HOUSE MANAGEMENT

50TH REPORT OF STANDING COMMITTEE

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I have the honour to present the 50th report of the Standing Committee on House Management. Pursuant to Standing Order 113(1), this report is deemed adopted when laid upon the table.

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

* * *

CRIMINAL CODE

MEASURE TO AMEND

Ms. Mary Clancy (Halifax) moved for leave to introduce Bill C-368, an act to amend the Criminal Code (sureties to keep the peace).

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Ms. Clancy: Madam Speaker, I am introducing this bill today because of the sad fact in Canada that peace bonds are ineffective as a deterrent to violence, most particularly violence against women.

It is hoped that the proposed amendments to sections 8(10) and 8(11) of the Criminal Code will make peace bonds more effective by sending out a message that offenders will be prosecuted and by compelling justices of the peace to issue peace bonds.

In brief, these amendments would make it incumbent upon the justice of the peace to issue a peace bond in the case where a complainant has demonstrated that her fears are reasonable and, second, classify breaches of the peace by a person bound by a recognizance as indictable offences.

In this age of violence against women, it becomes even more true that justice must not only be done, it must be seen to be done.

Madam Deputy Speaker: Ms. Clancy moves that the bill be now read the first time and printed.

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

Bill read the first time and printed.

Mr. Riis: Point of order, Madam Speaker. My hon. friend, the parliamentary secretary to the government House leader, tabled the report from the management committee. Was that report the one striking the committee membership of Bill C-91? If so, were the correct procedures followed?

In other words were the Whips in agreement with the committee members serving on Bill C-91? That is not my understanding.

Mr. Edwards: Madam Speaker, the information I was given was that the Whips were in agreement. Otherwise I would not have presented the report.

CRIMINAL CODE

MEASURE TO AMEND

Ms. Albina Guarnieri (Mississauga East) moved for leave to introduce Bill C-369, an act to amend the Criminal Code (breaking and entering).

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Ms. Guarnieri: Madam Speaker, I am presenting two bills that attempt to reduce the current free rein in crime. One is amendments to an act to amend the Young Offenders Act, the purpose of which is to ensure that young persons who are 16 years of age and over and who are accused of sexual or aggravated assault, or any offence that has resulted in death will be tried in adult court.

The second bill is to provide for the imposition of a minimum term of imprisonment of one year in respect to the person who has never committed a break and enter offence but then commits two or more such offences. The same punishment would be imposed in respect to the person who commits a break and enter offence for which there has been a previous conviction.

The amendment provides for a minimum of one year in prison for any person who is a repeat break and enter offender.

Madam Deputy Speaker: Ms. Guarnieri moves that the bill be now read the first time and printed.

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

Bill read the first time and printed.

* * *

YOUNG OFFENDERS ACT

MEASURE TO AMEND

Ms. Albina Guarnieri (Mississauga East) moved for leave to introduce Bill C-370, an act to amend the Young Offenders Act.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Ms. Guarnieri: Madam Speaker, in my eagerness I have already given the explanation on break and entry.

Madam Deputy Speaker: Ms. Guarnieri moves that the bill be now read the first time and printed.

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

Bill read the first time and printed.

Mr. Riis: Point of order, Madam Speaker. I hesitate to raise this but I believe there have been some procedural improprieties.

The parliamentary secretary to the government House leader asked permission to table the management committee report regarding the membership of Bill C-91, and that can only be done if the Whips have agreed to the membership, as my hon. friend has indicated.

My understanding is that there was no agreement at this point as they try to assemble the membership of that committee. In that case I do not think the report is receivable because of the inappropriate procedures followed.

I simply want to make that point. Until this is clarified I would ask my friend to withdraw the request. It is a very important issue. Most legislative committees would not have the same serious consideration but we are dealing with the Patent Act and I think it important that that committee be appropriately assembled.

Madam Deputy Speaker: I will listen to the hon. parliamentary secretary, of course, but I think the hon. member for Kamloops will agree that normally he should have risen when the parliamentary secretary rose to present that motion. Now it has been accepted.

• (1530)

Mr. Edwards: Madam Speaker, I have no wish to tamper with the process. That is the last thing on my mind. I was given the draft report. I was informed that the Whips had consulted and that there was agreement. I tabled it in good faith. I have to accept what my hon. friend tells me, that there was not such an agreement. In that case, I will withdraw the report if I have the consent of the House.

I take it from my hon. friend that it was his Whip that did not assent. I was led to believe that his Whip was in agreement and that there was some hesitation on the part of the Official Opposition Whip but I was told that hurdle had been cleared. Therefore I sought leave to table the report.

Mr. Riis: Madam Speaker, I appreciate the generous comments of my hon. friend. I certainly take his word when he says that he was given the impression that all of the Whips had agreed.

I would have rose at the time when he asked leave to table the report but I was not certain of the content of the management report that he was referring to by number 91 or whatever it was. Since that has been clarified, my hon. friend has asked that the tabling be withdrawn until we get this matter cleared up.

Madam Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

* * *

PUBLIC SERVICE REFORM ACT

DISPOSITION OF REPORT STAGE

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I would move:

That, notwithstanding the order made on Tuesday, June 23, 1992 under the provisions of Standing Order 78(3), any recorded divisions necessary to dispose of the report stage of Bill C–26, an act to amend the Public Service Employment Act, the Public Service Staff Relations Act and other acts in relation to the Public Service of Canada, shall be deferred until Monday, November 23, 1992 at 6 p.m.

Motion agreed to.

* * *

STANDING COMMITTEE ON PUBLIC ACCOUNTS

AUTHORIZATION FOR CHAIRMAN TO TRAVEL

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I would move:

That the chairman of the Standing Committee on Public Accounts be authorized to travel to Toronto from November 22 to 24, 1992 to attend the 13th annual conference of the Canadian Comprehensive Auditing Foundation.

[*Translation*]

Mr. Louis Plamondon (Richelieu): I will be pleased to give our consent, but we would remind the three parties in the House that for such travels or when the House of Commons makes such decisions, we would like the Bloc Quebecois to be given more consideration, in view of the referendum result.

Madam Deputy Speaker: The motion is therefore carried.

Motion agreed to.

Mr. Saint-Julien: On the same point of order, Madam Speaker. I am a member of the public accounts committee and I will not go to Toronto.

* * *

[*English*]

REGISTRATION OF LOBBYISTS

COMPREHENSIVE REVIEW OF ACT

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, this is the last of my three motions. I would move:

That pursuant to section 14 of an act respecting the registration of lobbyists, chapter 44, fourth supplement, Revised Statutes of Canada, 1985, the Standing Committee on Consumer and Corporate Affairs and Government Operations be the committee to undertake a comprehensive review of the administration and operation of this act and submit a report to this House no later than one year after the review is undertaken.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I want to make it clear that it is our intention to proceed with this but not at this moment. There are some deliberations that ought to occur before this motion is passed. I want to make clear that we will support it as New Democrats. It is the appropriate process but we have some discussions we want to carry on with the government before we do that.

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, with respect to the motion, there were discussions among House leaders. I wish to indicate the consent of my party to proceed with the contents of this particular motion.

[*Translation*]

PETITIONS

RIDEAU RIVER CLEAN-UP AND MAINTENANCE

Mr. Jean-Robert Gauthier (Ottawa-Vanier): Madam Speaker, I have two petitions. The first petition deals with pollution in the Rideau River in my riding and was signed by a number of constituents in Ottawa—Vanier. I would like Parliament to ask the federal government to act as an equal partner with provincial and municipal authorities in implementing an action plan for clean-up and maintenance of the Rideau River.

COURT CHALLENGES PROGRAM

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, my second petition deals with the Court Challenges Program, which as you know has helped a number of individuals and minority groups to have their constitutional linguistic and equality rights clarified before the courts.

As you know, the program was abolished by the government, and your petitioners strongly urge Parliament to reinstate this program so that Canadians, whatever their income or resources, can bring their cases before the courts and defend their fundamental and linguistic rights.

[*English*]

VIOLENCE

Mr. Bill Blaikie (Winnipeg Transcona): Madam Speaker, I have a number of petitions to present today.

The first one arises out of the death of a constituent of mine and is related to a theme that has already arisen a couple of times in the House today, that is the issue of violence against women.

The people who have signed this petition call upon Parliament to amend the Criminal Code of Canada to permit the courts to prevent the release of individuals where it is shown that there is a substantial likelihood of further conjugal or family violence being perpetrated.

PHARMACEUTICALS

Mr. Bill Blaikie (Winnipeg Transcona): Madam Speaker, my second petition concerns Bill C-91 and the issue of amending the drug patent laws of Canada.

The petitioners are concerned about the effect of Bill C-91 and its relationship to the North American free trade agreement.

They call upon Parliament not to proceed with Bill C-91 and to repeal Bill C-22, passed in 1987, so that Canadians will have the full benefit of lower priced generic drugs and so that provincial and private drug plans can serve Canadians without being forced to charge higher fees and/or provide less coverage.

EXTERNAL AFFAIRS

Mr. Bill Blaikie (Winnipeg Transcona): Madam Speaker, I have a number of petitions concerning the case of Christine Lamont and David Spencer, who are Canadians imprisoned in Brazil. In the judgment of many Canadians they should now be back in Canada but for the cruelty of the minister of external affairs who refuses to request their expulsion, thereby leaves them in prison in Brazil where riots and massacres take place and where they are in imminent danger.

I present these petitions calling upon Parliament to urge the Secretary of State for External Affairs to request the Government of Brazil to expel Christine Lamont and David Spencer and return them to Canada.

TRANSPORTATION

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, petitioners from the province of Manitoba, including my own constituency, point out that Winnipeg has been well served by the name Winnipeg International Airport, previously Stevenson's Field.

These petitioners point out that the government considered the possibility of changing the current name to Diefenbaker airport. They note that the former Prime Minister was a native of Saskatchewan, and as well they believe that some of his actions while he was Prime Minister harmed the province's air industry.

They want to stress that we have many Manitobans who have contributed to Manitoba and to its airline industry. Finally they stress that any change would cost a great deal of money to everyone. They oppose this change and they want to make sure that it is prevented. I support this petition.

BILL C-330

Mr. Stan Keyes (Hamilton West): Madam Speaker, I have the honour and privilege to present to this House petitions certified correct by the clerk of petitions.

They contain another 10,000 signatures of Canadians, many of them gathered by my colleague representing the riding of Haldimand—Norfolk.

• (1540)

They support my private member's Bill C-330. They want Canadians to have a greater say in the disposition of offenders in the judicial process and call on Parliament to support victims' rights and the protection of the public from violent offenders.

There will be tens of thousands more signatures to be made tomorrow before I have my private member's hour on Bill C-330.

SOFTWOOD LUMBER

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, I have a petition from close to 200 constituents.

They draw the House's attention to the fact that the U.S. has unfairly imposed a duty on our softwood lumber exports to that country and has engaged in numerous other trade practices which amount to harassment of Canadian producers. They also note that the free trade agreement has caused Canada to lose jobs and devastated the Canadian economy without providing the promised benefits.

The petitioners, therefore, call on Parliament to request that the PM and the Minister for International Trade take any action necessary to defend the interests of the Canadian softwood lumber industry against unfair duties. They also request Parliament to act immediately to affect the cancellation of the Canada-U.S. Free Trade Agreement.

BILL C-91

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, I would also like to present a petition on behalf of a number of constituents relating to Bill C-91.

The petition seeks to end the further licensing of generic drugs in Canada and also proposes to extend the patent protection for periods of up to 20 years.

The petitioners call on Parliament not to proceed with Bill C-91 and to repeal Bill C-22 passed in 1987 so that Canadians will have the full benefit of lower priced generic drugs and so that provincial and private drug plans can serve Canadians without being forced to charge higher fees or to provide less coverage.

YOUNG OFFENDERS ACT

Mrs. Diane Marleau (Sudbury): Madam Speaker, it is my honour again today to present to this House a large number of petitions signed by people from across the country in memory of Rosalynn Dupuis, a young girl who was brutally murdered in the spring of this year in the Sudbury area. A young offender has been charged.

It is truly unfortunate that it takes a tragedy such as this one to make us realize a change in attitude and law is necessary.

I would like to thank those who have taken the time to circulate this petition and sign it. The tremendous response to this petition confirms the need for a tougher young offenders law.

[*Translation*]

REQUEST TO STOP VIOLENCE IN OUR SOCIETY

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, I wish to table a petition signed by residents of Lebel-sur-Quévillon in Abitibi, which says that films on television that show scenes of violence are dangerous and cannot be tolerated because they act as an incentive to further violence.

Your petitioners point out that toys that provide an excuse for violent games are unacceptable and production of such toys should be stopped. Freedom of the press should be restricted in the case of reporting acts of violence. Information is repeatedly given on acts of violence on television, on all channels, and on radio. This may act as an incentive to commit identical acts of violence.

Therefore, your petitioners humbly pray and call upon Parliament to pass the appropriate legislation and thus stop violence in our society, protect our children and give all citizens a better quality of life.

[*English*]

HEALTH

Mr. Raymond Skelly (North Island—Powell River): Madam Speaker, I have the honour to present a petition of thousands of names collected by hundreds of registered nurses from the Sechelt Peninsula, the Powell River area, Campbell River and the North Island, all members of the RNABC, as part of the national health action lobby.

They have collected thousands of names in support of a petition that asks the government to ensure that the Canadian Constitution will contain the five basic principles of medicare, that the federal government will reaffirm its cost-sharing responsibility with the provinces for health care and that the federal government will set up a national monitoring agency to enforce federal-provincial health care programs.

MACKENZIE VALLEY HIGHWAY

Mrs. Ethel Blondin-Andrew (Western Arctic): Madam Speaker, pursuant to Standing Order 36 I present the Mackenzie Valley highway petition which states that whereas the Canadian government announced the commencement of the Mackenzie Valley highway in 1972 and construction was started on this important transportation link to the north; and whereas the economic need for a highway system has never been greater than it is today, the federal government has transferred responsibility for northern road construction but not the funding to the government of the Northwest Territories.

Therefore we request that the federal and territorial governments accept their joint responsibilities to the residents of the Mackenzie Valley corridor and commence discussions now to prepare a phased implementation plan for completion of the highway to Fort Norman, Norman Wells, Fort Good Hope and further north to tie in with the existing highway south of Inuvik.

Furthermore, we recommend that these discussions take place with the involvement of northerners and include a construction timetable for completion.

This is presented on behalf of 150 residents of the Sahtu region.

BILL C-86

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, pursuant to Standing Order 36 I have the honour to present four petitions. They are all different but all concerned with Bill C-86.

The first petition is signed by 60 persons from Toronto who are concerned with recent amendments to the immigration bill, Bill C-86. In particular, they strongly oppose the restrictions and delay that parents will face when seeking to join their sons and daughters in Canada.

Therefore your petitioners call upon Parliament to urge the government to withdraw these amendments.

I have a second petition with 126 names of Canadians who are concerned with many of the proposed amendments to the Immigration Act and Bill C-86. They particularly oppose the provisions that allow decisions to be made retroactively on the ground that it would cause many individuals and families who have already relied upon an earlier decision to be affected in a serious manner.

They urge Parliament to urge the government to withdraw these amendments.

REFUGEES

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, my third petition is from 133 Canadians who point out that the refugee board at present is not allowed to review decisions even when it is apparent that a mistake may have been made, evidence that was missing is now available, or that the situation has turned.

This is in spite of the fact that the United Nations minimum guarantee for refugee status determination requires an appeal on the merits.

Therefore the undersigned petitioners humbly pray and call upon Parliament to enact legislation which would provide a meaningful appeal on the merits for refugee claimants whose cases are rejected such that they have appeal rights comparable with everyone else in Canada.

IMMIGRATION

Mr. Dan Heap (Trinity—Spadina): Finally, Madam Speaker, I have a petition from 136 people who are concerned with many of the proposed amendments to the Immigration Act, particularly the provisions allowing a detention review, after an initial hearing, only once every 30 days for persons detained by Canada Immigration.

They ask that the legislation provide for a detention review by an adjudicator within 48 hours with two further reviews conducted at least once in each of the next seven days, to ensure that no one is detained without unequivocal proof that he or she is a danger to the public or would not appear for the immigration proceedings.

GOODS AND SERVICES TAX

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I am pleased to rise to present a petition signed by numerous residents of various communities: Westmount, Quebec; Gananoque, Ontario; Kingston, Ontario; and other places in Ontario including Calabogie and Kitchener.

The petitioners are opposed to the goods and services tax on books which the former Minister of Finance, who is here now, introduced. He must be feeling quite repentant because these petitions have been signed by thousands of Canadians across the country. There is a major campaign objecting to the tax that he introduced in this House. I hope he is feeling suitably chastized now that he has left that office because of the outrage he has provoked among Canadians concerning this tax on books. I think Canada is one of the few countries in the free world that taxes reading material.

These petitioners humbly call upon this House to repeal the iniquitous goods and services tax as it applies to books, newspapers and magazines.

BILL C-91

Mr. Ray Funk (Prince Albert—Churchill River): Madam Speaker, I have the honour to present a petition signed by over 600 people from communities in my riding such as Prince Albert, Shellbrook, Christopher Lake, Spruce Home and Weirdale.

These people appreciate the benefits that they have had from the generic drug industry as we know it. They recognize Bill C-91 is another piece of legislation driven by free trade legislation. It is going to cost Canadians over $500 million in the coming years.

• (1550)

Therefore they are calling upon Parliament not to proceed with Bill C-91 and to repeal Bill C-22 passed in 1987 so that Canadians will have the full benefit from lower priced generic drugs and so that provincial and private drug plans can serve Canadians without being forced to charge higher fees and/or provide less coverage.

BILL C-91

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, I am presenting petitions today regarding the passage of Bill C-91, respecting the Patent Act.

The petitioners have asked the government to not proceed with the passage of this act. The legislation would seek to end the licensing of further generic drugs in Canada and would allow brand-name drug companies to market their drugs virtually without competition by generic companies for periods of up to 20 years. They are asking for a reconsideration of this act and the long-term costs of passing this type of legislation.

NORTH AMERICAN FREE TRADE AGREEMENT

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): I have a second petition to present, Madam Speaker.

A number of petitioners from my riding of Okanagan—Shuswap are very concerned about the proposed North American free trade agreement as it pertains to the possibility of water exports through non-energy pipelines.

They are asking that article 1401 of the proposed North American free trade agreement be reconsidered, that the government not proceed with this particular section of the agreement and that the government resolves the uncertainty surrounding the issue of water exports through the execution of a separate and binding joint diplomatic agreement stating that nothing in either the Canada-U.S. Free Trade Agreement or the proposed North American agreement would apply to Canada's water resources in other than bottled form.

GASOLINE PRICES

Mr. Mac Harb (Ottawa Centre): Madam Speaker, I have the pleasure of introducing a petition in the House of Commons signed by many residents in the national capital region.

These residents are extremely upset with the high gasoline prices in the capital region when compared with prices in the rest of Ontario. These petitioners are calling on the government to take appropriate action in order to correct this injustice.

VIOLENCE

Mr. Derek Lee (Scarborough—Rouge River): Madam Speaker, I have a petition signed by approximately 300 residents of the Rosewood area in Scarborough—Rouge River.

The petition is in support of the work of the parents of Nina de Villiers. It points out the inadequacy of the judicial interim release procedures under the Criminal Code, the vulnerability of women and children to violent crime, the lack of accountability of agents of the Crown in bail proceedings and calls upon the government to make the necessary amendments to the Criminal Code and related legislation.

BILL C-91

Mr. Len Taylor (The Battlefords—Meadow Lake): Madam Speaker, I am pleased to rise today to present a petition signed by 1,032 residents of The Battlefords—Meadow Lake constituency who call on the government to withdraw Bill C-91, the legislation that allows brand-name prescription drug companies to market their drugs without competition from generic drugs for periods of up to 20 years.

The petitioners, like those 438 signatories that I presented yesterday to the House, want to benefit from lower priced prescription drugs and want the provincial drug programs also to receive that benefit.

These petitions were signed and gathered by individuals who live in communities in my constituency like Mervin, Turtleford, Edam, Livelong, Leoville, Wilkie, Hafford, Blaine Lake, Marcelin, Richard, Stump Lake, Canwood, Speers, Mayfair and Paradise Hill. I thank the petitioners for their efforts.

PORNOGRAPHY

Mr. George Proud (Hillsborough): Madam Speaker, I rise, pursuant to Standing Order 36, to present a petition on behalf of constituents from my riding, from the province itself and from the country dealing with the distribution of pornographic materials.

The petitioners ask Parliament to prohibit the distribution and sale of pornographic materials in our country such as Madonna's book.

NORTH AMERICAN FREE TRADE AGREEMENT

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I also have a petition where the petitioners are concerned about the potential export of water by inter-basin transfers through the North American free trade agreement.

This is petition 343. I suppose there must have been thousands and thousands of petitioners who have indicated their concern. We are still waiting for the Minister for International Trade to announce that water is actually an exclusion from this deal.

Therefore the petitioners are simply asking once again for the minister to state that water is not part of the North American free trade agreement and to have to explicitly stated in the agreement.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, the following questions will be answered today: Nos. 371, 388, 390, 400, 403, and 411.

[*Text*]

Question No. 371—**Mr. Axworthy (Winnpeg South Centre):**

> Have any employees of Transport Canada's Policy and Coordination Branch received, for a period exceeding six months, reimbursement of interest paid on bridging loans to purchase a principal residence or obtained temporary dual residence assistance under the Treasury Board relocation policy, since April 1, 1990 and, if so, (*a*) how many are they (*b*) what are their names and positions (*c*) what is the total amount paid or to be paid to each one (*d*) have any extensions of reimbursement and assistance beyond the six month period been approved and, if so, why (*e*) while payments were being made, did the department receive any indication that the employee's former place of residence was rented or occupied and, if so, what action has been taken to recover sums paid out while the employee's former place of residence was being rented or occupied?

Hon. Jean Corbeil (Minister of Transport): Yes, four:

Mr. John Murphy, permanent alternate representative on the council to ICAO. Mr. Peter Bailey, chief, fleet and infrastructure. Mr. Ted Rudback, director general, Economic Analysis. Ms. Gail Zahradnitzky, regional director Winnipeg, policy and co-ordination.

This information has been protected under the Privacy Act section 26. However under section 8 of the Privacy Act, Ms. Zahradnitzky has agreed to release some information in light of an access to information request.

That is that she has received $7,391.44 in temporary dual residence assistance.

In reply to (d), yes:

Mr. Murphy: Initially the evaluation for French language training was for three months. It was extended to one year by periods of three months;

Mr. Bailey: His house did not sell in six months;

Mr. Rudback: Lease on dwelling in Montreal and family commitments;

Ms. Zahradnitzky: Her house had not been sold.

The department received notification from Ms. Zahradnitzky in December of 1991 that her house would be rented three to six months beginning in January 1992. At this time she was no longer receiving temporary dual residence assistance. Assistance ceased in September 1991.

Question No. 388—**Mr. Mifflin:**

With respect to the 1991 fisheries compensation package, (*a*) what is the breakdown of the $57 million spent to date (*b*) how much of this fund is remaining and how is it planned to be spent?

Hon. John Carnell Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): With respect to the 1991 fisheries compensation package, (a) and (b) are as follow:

	Budget	Spent to Date	Remaining
Emergency Job Creation Fisheries Employment	$25,000,000	$20,800,000	$4,200,000
Herring			
Export Program	2,500,000	1,400,000	1,100,000
Food Aid	4,000,000	4,000,000	–
Atlantic Inshore Gear-Up	8,000,000	5,900,000	2,100,000
Special Ice Compensation (May-August 1991)	18,000,000	17,700,000	300,000
Total	$57,500,000	$49,800,000	$7,700,000*

* $6,700,000 of the $7,700,000 has lapsed. The remaining $1,000,000 in the Atlantic Inshore Gear-up Program has been budgeted for fiscal year 1993-94 to accommodate late applicants.

Question No. 390—**Miss Campbell (South West Nova):**

For the fiscal year of 1991-92, how many public tenders did the Department of Supply and Services call and close without an award being made and what was the cost to the parties who bid on these cancelled tender calls?

Hon. Paul Wyatt Dick (Minister of Supply and Services): There is no mechanism in the procurement and acquisition support system (PASS) data base that can identify the number of times we might not issue a contract as a result of a tender call. Further, we are unable to identify the cost to the parties who bid on these cancelled tender calls. Only the parties themselves would be able to provide this information.

Question No. 400—**Mr. Fisher:**

With respect to the government, its bodies and agencies and the company PNMD-Publitel, (*a*) what is the total value of contracts since January 1, 1990 (*b*) what were the dates of these contracts (*c*) which departments or agencies were involved (*d*) what was the value of each (*e*) what was the subject matter of the contract?

Hon. Paul Wyatt Dick (Minister of Supply and Services): With respect to the government, its bodies and agencies and the company PNMD/Publitel:

Total Value of Contracts since Jan. 1, 1990 (a)	Contract Award Dates (b)	Department (c)	Value of each Contract (d)	Subject Matter (e)
$152,750	90-04-27	Transport Canada	$ 5,000	Advertising
	90-07-04		34,750	
	90-05-28		10,000	
	90-06-12		25,000	
	90-09-26		8,000	
	90-02-18		2,000	
	90-09-17		5,000	
	90-10-06		8,000	
	90-12-17		20,000	
	91-02-21		15,000	
	91-05-03		20,000	

Question No. 403—**Miss Campbell (South West Nova):**

With respect to the Department of Fisheries' helicopter service stationed in Yarmouth to provide fisheries surveillance in the Scotia Fundy region, (*a*) how is the number of actual flying hours arrived at after considering base costs (*b*) how many fishery surveillance trips were taken for the past eight months, how many hours were used for each trip, what was the total cost to the Department of Fisheries and how many charges were laid for overfishing (*c*) how many search and rescue trips were made over the same period of time and who paid for them?

Hon. John Carnell Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): DFO has a fixed budget for helicopter services in Southwest Nova. Actual flying hours are determined by:

(i) subtracting monthly basing charges and operational expenses (hangar maintenance, crew travel, and fuel) from the over-all budget; and

(ii) dividing the balance of the budget by the fixed hourly flying rate to determine the number of actual flying hours.

From January 1 to August 31, 1992, DFO conducted 163 surveillance trips utilizing 424 hours or an average of 2.6 hours per trip. The total cost was $1.4 million. During these trips, DFO encountered 64 suspected violations as follows:

—26 domestic vessels fishing during a closed season;

—8 domestic vessels fishing in a closed area;

—4 domestic vessels with improper identification markings;

—4 incidents of illegal salmon and lobster gear;

—1 foreign vessel entering Canadian fisheries waters without authority; and

—21 domestic vessels fishing not in accordance with their conditions of licence.

For that same period, the helicopter conducted eight search and rescue missions involving 12 actual trips totalling 20.9 hours. DFO covered the cost of 12.3 hours and DND covered the balance.

Question No. 411—**Mr. Barrett:**

Regarding the series of shows featuring trade commissioners to be held in Toronto, Montreal, Calgary and Vancouver later this year (*a*) what is the total estimated cost for the series of shows (*b*) what is the cost for each show (*c*) how much will be spent to bring trade commissioners back from their posts (*d*) have any contracts been entered into by the government in relation to these shows with private companies or individuals (*e*) what is the value of each of these contracts and who are the individuals or companies involved?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): In its eighth year ExportVision, formerly known as Marketplace, has been held annually by External Affairs and International Trade Canada to promote exports, exporting and to provide direct assistance and information on export markets and government assistance programs to Canada's business community in all regions during October, Canada International Trade Month.

This annual series of seminars and workshops, one-on-one meetings between trade commissioners and company representatives, self-funded networking luncheons and outreach activities with local chambers of commerce, colleges and schools and media representatives took place across Canada during October.

Some 3,500 persons, mostly from the private sector, participated in one or more of ExportVision's events. It remains too early for companies to say what impact their participation will have on their export operations this year. However, for example, last year, as a result of information provided in an interview that took place at the advance technology Marketplace in Vancouver, Systemhouse Pacific entered into an alliance with Samsung Data Systems Co. Ltd. of Korea, to provide its systems integration expertise to Asia. The potential of this deal is worth hundreds of millions to Canadians over the next five years.

The total estimated cost for the series held in Toronto, Montreal, Calgary and Vancouver is $99,275 and the individual estimated costs are: Toronto—$63,000; Montreal—$20,275; Calgary—$4,000; and Vancouver—$12,000. These costs include in-house costs.

Trade commissioners returning to participate in ExportVision also receive ongoing training, briefings and departmental initiative updates as part of their regular duties. Therefore the total estimated travel costs of $166,000 cannot totally be attributed to ExportVision.

Private sector contracts entered into regarding ExportVision are as follows:

Toronto	
Westin Harbour Castle Conference Centre	10,000.
OEB Public Relations	33,000.
Manpower Temporary Services and Personnel Opportunities Ltd.	5,364.
Southam Audiovisual—Equipment rental	1,200.
Vernon Rentals and Leasing—Equipment rental	375.
Ricoh Canada—Equipment rental	295.
Ove Design—Design, layout, printing of tickets	515.
Security Management Services	351.
Montreal	
Hilton Bonaventure Hotel	2,825.
Clarkson & Conway—display booths	1,850.
Creation Graphique—signs	3,800.
Caron, Belanger, Ernst & Young—Moderating services	800.
Corpav—Equipment rental	800.

Inforum—Telemarketing	3,000.
Calgary	
The Palliser Hotel	2,230.
Tel Av—Audio/visual equipment	642.
Stampede Display—Display booths, etc.	475.
Calgary Tower—Room rentals, dividers, etc.	645.
Vancouver	
The Meridian Hotel	1,293.
Judy Wvong and Leanne Martinson—Temporary help	4,079.
New Communications Concepts Ltd.—Signs	940.
Mail-o-matic Services—direct mail	1,542.
U.S. Direct—Consultant services	796.

[*English*]

Madam Deputy Speaker: The questions as enumerated by the parliamentary secretary have been answered.

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

Mr. Duhamel: Madam Speaker, I am seeking some guidance here. I submitted Question No. 207 regarding the goods and services tax revenues in December 1991. It concerned the amounts and where they would be applied. There is still no response.

I was wondering if I could have an indication as to when it might be answered. As we can well appreciate, constituents are interested in this question and I have been getting some telephone calls.

Mr. Edwards: Madam Speaker, I am a little concerned that my hon. friend has waited so long. I can tell him there are some three departments involved and the report is proceeding reasonably well. I believe it would be possible to produce it within the foreseeable future. I give my friend the undertaking that I will pursue it personally for him.

Madam Deputy Speaker: Shall the remaining questions be allowed to stand?

Some hon. members: Agreed.

MOTIONS FOR PAPERS

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I would ask that the Notices of Motions for the Production of Papers be allowed to stand.

Some hon. members: Agreed.

* * *

MOTION TO ADJOURN UNDER S. O. 52

TRANSPORTATION

Madam Deputy Speaker: I have received one application pursuant to Standing Order 52.

Mr. Greg Thompson (Carleton—Charlotte): Madam Speaker, I rise under Standing Order 52 to request an emergency debate on the state of Canada's transportation industry. I request this debate for a number of reasons, most of which are being played out on the front pages of most of our newspapers at this very moment. One of course is the story we have all been following very closely in the past number of weeks which involves all Canadians. That is the crisis in the airline industry which involves not only PWA and Canadian Airlines, but also Air Canada.

I think it is incumbent upon us as members of Parliament to stand up here in Parliament and debate this issue and debate it very, very soon.

In particular, as an Atlantic Canadian, the news yesterday in Atlantic Canada with regard to transportation was not particularly good. We have a crisis looming there as well since CP Rail made known its intention to abandon or seek abandonment of all its rail lines in Atlantic Canada.

I do not think I have to go on any further. It is being suggested by the other side of the House that I save my speech for the debate. Madam Speaker, I want to impress upon you the importance of it because in a country as large as Canada I think the 27 million Canadians who are watching us from time to time should be aware of exactly what is happening out there and it is incumbent upon us as members of Parliament to put that message out.

The decision has been made by CP Rail to abandon the rail lines in eastern Canada. That is an entire region of Canada that is going to be abandoned by a major corporation that has been mandated and has the respon-

sibility to provide a service to a very important part of this country.

I request under Standing Order 52 an emergency debate based on the crisis facing Canada's transportation industry.

Mr. Nelson A. Riis (Kamloops): I rise on a point order, Madam Speaker. I wonder if I could be helpful on this point. Earlier in the week representatives of the New Democratic Party and others called for an emergency debate on the crisis facing our two major airlines.

• (1600)

Also, since then the crisis in Atlantic Canada, with the announcement that CP would be abandoning its rail, has arisen. To assist the Chair, I want to make it clear, since the request has come from a representative of the Progressive Conservative Party, on behalf of the New Democrats here in the House of Commons that this will be an opportunity to show the people of Canada that we are prepared to address what have to be the critical issues of the day, which I think was made very clear in the referendum campaign.

We are prepared to give our unanimous consent to this request to ensure that a proper debate takes place later tonight, not only on the airline crisis but on the crisis in the transportation sector generally, particularly, as my hon. friend mentioned, the situation regarding the CP announcement.

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I want to echo what the hon. member for Kamloops has just said. We share the concern that has been raised by the hon. member.

As the government has obviously had one of its members put this forward and agrees that it is a crisis, I want to say that we would be more than happy to have an emergency debate and hope that Your Honour will find in favour of the position put forward by the hon. member.

Mr. Riis: Madam Speaker, I am not exactly certain how this ought to proceed. However, if it will be helpful perhaps we could ask my hon. friend if he would seek unanimous consent of the House because the House could then agree and the debate would occur with the understanding that it would occur with the same restrictions and regulations that an emergency debate would have.

SPEAKER'S RULING

Madam Deputy Speaker: I thank the hon. members for their contributions.

I have in front of me an application under Standing Order 52 from the hon. member for Carleton—Charlotte. I can understand the importance of the subject on which he is proposing the House should have an emergency debate.

At this time I do not think that it meets with the requirements of Standing Order 52. In that sense, I am not in a position to grant this emergency debate.

On the other hand, should House leaders get together and propose something to the House, then I am the servant of the House, as you all know. At this time I cannot, according to Standing Order 52, grant this emergency debate.

Mr. Thompson: Madam Speaker, if I have interpreted what you have said correctly consent to debate or emergency debate has been denied, but I do seek unanimous consent of the House to proceed in that fashion. If that would be appropriate I would then seek unanimous consent to do so.

Hon. Gerald S. Merrithew (Minister of Veterans Affairs): Madam Speaker, it is my understanding that under Standing Order 52 an application is made to the Speaker as to the propriety, the correctness, the timeliness and the need for an emergency debate. It would seem to me that is the route it should go, and that we should await the Speaker's ruling on that particular question by the hon. member for Carleton—Charlotte.

Mr. Riis: Madam Speaker, I think the minister's suggestion is an excellent one. However, I think my recollection is that a decision has been rendered by the Chair and the Chair has deemed that this was not, in the Chair's estimation, a reason for an emergency debate.

I sense a spirit of generosity in the House today. My hon. friend has asked for unanimous consent for a special debate, let us call it, on this crisis that is facing the country, particularly those members from Atlantic Canada, and I simply want to say on behalf of the New Democratic Party—I know I can speak for my colleagues—that we would be enthusiastic about a special debate this evening on this emergency facing the transportation sector of our country.

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I think that what my hon. friend from Kamloops is endeavouring to do is bring

us holus-bolus the next stage of parliamentary reform, which would provide for such special debate.

I welcome his and his party's support. I would hope that he would agree, and it would be nice to have his commitment right here and now, to embrace the next phase of parliamentary reform including that provision. I see him nodding. I gather that we have his acceptance. If we could accept the balance of those recommendations and amend the Standing Orders right here and now it would be very positive and desirable.

As I understand it there is, in the absence of changes to the Standing Orders, no provision for the procedure that my hon. friend from Kamloops is proposing.

Mr. Ross Harvey (Edmonton East): I do stand to be corrected, but it is my understanding that it is a well-founded principle of our procedure that the House may at any time do virtually anything it wants by unanimous consent.

If the House decides by unanimous consent that it wishes to appoint a time this evening for the debate of this matter and wishes that debate to be conducted under terms that normally would be applicable only to emergency debates but decides in its wisdom at this time that it wants that debate to be so conducted then by unanimous consent it may so appoint.

[*Translation*]

Mr. Louis Plamondon (Richelieu): Madam Speaker, we might consider giving our unanimous consent, but not right away, not until we have discussed with the three leaders the role the Bloc will play in this debate in terms of the number of speakers.

Madam Deputy Speaker: At any rate, the Chair is in an extremely difficult position right now because Standing Order 52 says one thing—and there has already been a ruling on that—and pursuant to Standing Order 52, the request the hon. member for Carleton—Charlotte is making does not meet all the conditions.

That being said, I did hear him request the unanimous consent of this House for such a debate to take place without the traditional request from the three House leaders. Unanimous consent has not been granted at this time. However, if the hon. member for Carleton—Charlotte were to bring forward a written motion in due form requesting unanimous consent, the Chair would gladly put such motion to the House at that time. That is the only way I could accommodate the hon. member's request at this time without infringing upon these rules of ours that we have given ourselves.

GOVERNMENT ORDERS

[*English*]

IMMIGRATION ACT

MEASURE TO AMEND

The House proceeded to the consideration of Bill C-86, an act to amend the Immigration Act and other acts in consequence thereof, as reported (with amendments) from the legislative committee.

Mr. Comuzzi: Madam Speaker, my point of order concerns the bill that is before the House right now in consideration of report stage.

To facilitate debate on the motions before the House today I would ask that perhaps the government side would consider not discussing their motions which just showed up on the Order Paper today.

It is an immigration bill. It has been rushed through hearings this summer in the House, and just this morning we received 10 or 12 recommendations from the government with respect to certain changes that it wants made on the Order Paper.

We know that the debate is going to carry on at this stage not only for the balance of today but it will most likely continue on Monday and perhaps into Tuesday.

There will be no harm done. It just gives us on this side of the House the opportunity to review the motions brought forward by the government and placed on the Order Paper today. We would be able to respond with perhaps a little more accuracy on those motions at another time.

Madam Deputy Speaker: In just a moment I will listen to the hon. member for Trinity—Spadina.

I would like to give the official ruling as to what has been accepted and the way the motions have been divided.

• (1610)

I heard the hon. member for Thunder Bay—Nipigon saying that some motions came in at a late hour. All motions came to the House in the very late afternoon yesterday, for six o'clock last night.

I can tell the hon. member that our officers worked quite late into the evening and even early into the night so that we could get this together. Nobody has had more time or less time to study anybody else's motion.

I think the hon. member should first listen to the ruling as it will be given and then if the hon. member wants to discuss some further arrangements with the parliamentary secretary on the government side, that of course will be his own decision.

Does the hon. member for Trinity—Spadina have anything to add to this?

Mr. Heap: Madam Speaker, I will wait. I will listen to your ruling and then perhaps resume this point.

Mr. Comuzzi: Madam Speaker, I understand the capable staff of this House worked well into the late hours of last evening in order to get this matter before the House in proper form.

On the Order Paper of yesterday, there were only those motions which were presented by the hon. member for Notre-Dame-de Grâce of our party. There were no other motions on the Order Paper yesterday. As a result, if you check the Order Paper of yesterday you will find that those other motions appeared on the Order Paper on November 18 and there were no such motions on November 17. I say that with some respect.

Madam Deputy Speaker: As the hon. member does know, our Standing Order requires for all amendments to be at the Table before six o'clock the day before. Many arrived only late yesterday afternoon. We did the best we could and I am sure that with a little bit of discussion or negotiation things can be worked out.

SPEAKER'S RULING

There are 85 motions in amendment on the Notice Paper for the report stage of Bill C-86, an act to amend the Immigration Act and other acts in consequence thereof.

[*Translation*]

Motion No. 1, standing in the name of the hon. Minister of Employment and Immigration, will be debated and voted on separately.

[*English*]

Motions Nos. 2, 4, 8, 21, 30, 33, 35, 37, 42, 44, 46, 53, 56, 62, 65, 69, 73, 75 and 77 standing in the name of the hon. member for Notre-Dame-de-Grâce are identical to Motions Nos, 3, 5, 9, 22, 31, 34, 36, 38, 43, 45, 47, 54, 57, 63, 66, 70, 74, 76 and 78. After consultation, those motions standing in the name of the hon. member for Notre-Dame-de-Grâce have not been selected.

[*Translation*]

Motions Nos. 3, 5, 70 and 74, standing in the name of the hon. member for Thunder Bay—Nipigon, Motion No. 6, standing in the name of the hon. member for Scarborough—Rouge River, and Motion No. 7, standing in the name of the hon. member for Trinity—Spadina, will be grouped for debate and voted on separately.

[*English*]

Motion No. 9 in the name of the hon. member for Thunder Bay—Nipigon will be debated and voted upon separately.

[*Translation*]

Motions Nos. 10, 11, 12 and 13, standing in the name of the hon. member for Trinity—Spadina, and Motion No. 22, standing in the name of the hon. member for Thunder Bay—Nipigon, will be grouped for debate but voted on as follows:

[*English*]

a) A vote on Motion No. 10 will apply to motions numbered 11, 12 and 13.

b) Motion No. 22 will be voted upon separately.

Motion No. 14 standing in the name of the hon. member for Trinity—Spadina and Motions Nos. 17, 18, 19, 20, 32, 40, 41, 68 and 80 standing in the name of the hon. Minister of Employment and Immigration will be grouped for debate and voted on as follows:

[*Translation*]

a) Motions Nos. 14 and 17 will be voted on separately.

b) The vote on Motion No. 18 will apply to Motions Nos. 19 and 20.

c) Motions Nos. 32, 40, 41, 68 and 80 will be voted on separately.

[*English*]

Motion No. 15 standing in the name of the hon. Minister of Employment and Immigration will be debated and voted upon separately.

[*Translation*]

Motion No. 16, standing in the name of the hon. member for Trinity—Spadina, is identical to Motion No. 15 and therefore will not be selected.

[*English*]

Motions Nos. 23, 24, 25, 26, 27, 28, 29, 64, 67 and 71 standing in the name of the hon. member for Trinity—Spadina and Motions Nos. 31, 34, 36 and 66 standing in the name of the hon. member for Thunder Bay—Nipigon will be grouped for debate and voted upon as follows:

[*Translation*]

a) Motions Nos. 23, 24 and 25 will be voted on separately.

b) If Motion No. 26 is adopted, it will not be necessary to vote on Motions Nos. 27 and 28, but if Motion No. 26 is defeated, it will be necessary to vote on Motion No. 27. If Motion No. 27 is adopted, it will not be necessary to vote on Motion No. 28. If Motion No. 27 is defeated, it will be necessary to vote on Motion No. 28.

[*English*]

c) Motions Nos. 29 and 31 will be voted upon separately.

d) A vote on Motion No. 34 will apply to Motion No. 66. An affirmative vote on Motion No. 34 will obviate the necessity of a vote on Motion No. 67. A negative vote on Motion No. 34 will require the question being put on Motion No. 67.

[*Translation*]

e) Motion No. 36 will be voted on separately.

[*English*]

f) Motions Nos. 64 and 71 will be voted upon separately.

Motions Nos. 38, 54 and 57 standing in the name of the hon. member for Thunder Bay—Nipigon and Motions Nos. 48, 49, 50, 51 and 52 standing in the name of the hon. member for Trinity—Spadina will be grouped for debate and voted upon as follows:

[*Translation*]

a) Motions Nos. 38, 48 and 49 will be voted on separately.

b) If Motion No. 50 is adopted, it will not be necessary to vote on Motion No. 51. If Motion No. 50 is defeated, it will be necessary to vote on Motion No. 51.

c) Motions Nos. 52, 54 and 57 will be voted on separately.

[*English*]

Motions Nos. 39 and 55 standing in the name of the hon. member for Trinity—Spadina are identical to Motions Nos. 38 and 54 standing in the name of the hon. member for Thunder Bay—Nipigon and therefore will not be selected.

[*Translation*]

Motions Nos. 43, 45 and 47, standing in the name of the hon. member for Thunder Bay—Nipigon, will be grouped for debate and the vote on Motion No. 43 will apply to Motion No. 47. Motion No. 45 will be voted on separately.

• (1620)

[*English*]

Motions Nos. 58, 81, 82, 83, 84 and 85 standing in the name of the hon. member for Trinity—Spadina will be grouped for debate and voted upon as follows:

[*Translation*]

a) Motion No. 58 will be voted on separately.

b) The vote on Motion No. 81 will apply to Motions Nos. 82, 83, 84 and 85.

[*English*]

Motions Nos. 59, 60 and 61 standing in the name of the hon. member for Trinity—Spadina will be grouped for debate and voted upon separately.

[*Translation*]

Motion No. 63, standing in the name of the hon. member for Thunder Bay—Nipigon, will be debated and voted on separately.

[*English*]

Motion No. 72 standing in the name of the hon. member for Trinity—Spadina will be debated and voted upon separately.

[*Translation*]

Motions Nos. 76 and 78, standing in the name of the hon. member for Thunder Bay—Nipigon, will be grouped for debate but voted on separately.

[*English*]

Motion No. 79 standing in the name of the hon. member for Trinity—Spadina will be debated and voted upon separately.

[*Translation*]

Therefore I will now submit Motion No. 1 to the House.

[*English*]

MEASURE TO AMEND

Hon. Gerald Merrithew (for the Minister of Employment and Immigration) moved:

Motion No. 1

That Bill C-86 be amended in Clause 3 by striking out lines 32 to 34 at page 9 and substituting the following therefor:

"prescribed date in each calendar year, which prescribed date shall be no later than November 1, cause"

Mr. Ross Reid (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Madam Speaker, I would like to explain very briefly the purpose of this amendment.

In the legislative committee it was agreed that such an amendment would be a good idea. What we agreed however was that the wording would read "that not later than the 60th day before the commencement of each calendar year".

Obviously the 60th day is something approaching the first day of November. It makes much more sense to put the first day of November in there and it has no other impact other than to be a little bit more modern and a little bit more sensible.

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

Madam Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion No. 1 agreed to.

Mr. Joe Comuzzi (Thunder Bay—Nipigon) moved:

Motion No. 3

That Bill C-86 be amended in Clause 4 by striking out line 11 at page 15 and substituting the following therefor:

"making the application and any or all accompanying dependants".

Motion No. 5.

That Bill C-86 be amended in Clause 4 by adding immediately after line 43 at page 15 the following:

"(6) A visa officer shall not refuse to issue a visitor's visa to a person who made an application pursuant to subsection (1), or any of the persons's dependants, where the person satisfies the visa officer that

(a) the person has a place of residence, immediate family and permanent employment in the person's country;

(b) the person and the person's dependants, as the case may be, have return tickets and intend to return to that country; and

(c) the person does not have a pending application for landing.

(7) For the purposes of paragraph 6(b), the fact that a person and the person's dependants will return to the person's country shall be presumed unless there is strong evidence to the contrary."

Mr. Derek Lee (Scarborough—Rouge River) moved:

Motion No. 6

That Bill C-86 be amended in clause 4 by adding immediately after line 43 at page 15 the following:

"(6) A visa officer shall, in determining under this section whether or not an application for entry as a visitor is a person who may be granted entry as a bona fide visitor, take into account the existence of a valid and subsisting performance bond, surety or other prescribed security provided therefor to the Deputy Minister by a Canadian citizen or permanent resident who is a father, mother, brother, sister, son or daughter of the applicant or the spouse of a father, mother, brother, sister, son or daughter of the applicant and the existence of any security described in this subsection may be taken into account in relation to family of the applicant who intend to accompany the applicant on the same proposed visit.

(7) The absence of any security described in subsection (6) shall not be taken into account in making the determination described in subsection (2) and (4)".

Mr. Dan Heap (Trinity—Spadina) moved:

Motion No. 7

That Bill C-86 be amended in Clause 5 by striking out line 8 at page 16 and substituting the following therefor:

"of that person".

Mr. Joe Comuzzi (Thunder Bay—Nipigon) moved:

Motion No. 70

That Bill C-86 be amended in Clause 102 by striking out line 23 at page 111 and substituting the following therefor:

"and occupation, which terms and conditions shall be imposed for a period not exceeding two years".

Motion No. 74.

That Bill C-86 be amended in Clause 102 by adding immediately after line 45 at page 114 the following:

"(13) Where an immigrant has paid fees for a visa application, the fees so incurred shall be reimbursed to the immigrant if the application is refused, or is not considered, as a result of retroactive regulations."

Mr. Comuzzi: Madam Speaker, these motions have been grouped: Motion No. 3 dealing with family members: Motion No. 5 dealing with visitors' visas; Motion No. 70 with residency requirements; and Motion No. 74 which deals with the refund of the fee. Let me first deal with family members and what is specifically meant by this clause.

When officials and senior immigration officers are processing an application they can assess all members of a family when deciding on the immigration application of one member of that family. It is our position that the application should only be assessed on the merits of that particular person who is making an application to come to Canada, along with those members of his family who will accompany the applicant to Canada.

• (1630)

Unless this procedure is followed it is a fundamental denial of procedural fairness if some person is being tried, being judged or is having an adjudication made on his or her behalf based on the actions of perhaps another family member.

When we talk about family members under the extended meaning of that phrase it embraces a whole class of people: spouses, fiancés, unmarried children of any age, a child under 13, or parents of any age, grandparents who are over 60, orphan brothers and sisters, nephews, nieces or grandchildren. It goes on and on.

The purpose of this amendment dealing with family members is to ensure that the application and consideration should only be given to that person who is applying for status along with those dependants or those people he will be bringing with him at the time of his application.

There is a proverb that we never had any opportunity to pick our family members, in his wisdom the good Lord having deprived us of that right, but he allowed us to choose our own friends. This particular section reminds me of that. It reminds this side that people who are making an application to come to this country are being jeopardized by certain acts of members of a truly large and extended family.

A hypothetical situation could result in valued members, whom we would welcome with open arms into our country as the very type of people this country wants and whose skills we need, being denied admittance because after an investigation of the extended family members one may have done something that is contrary to certain sections of the act. Although that person is not making any representation to become a Canadian citizen the application of that whole family is denied because of the acts of that one person at whatever time in that person's history.

We feel that matter should be clarified and that procedural fairness should be applied just to those people making application and to those who are intending to come to Canada with the original applicant.

With respect to visitors' visas, we are proposing a more definitive way for those folks who are working the immigration offices throughout the world to be able to make a more definitive answer with respect to visitors' visas.

We all know, those of us who work in our constituency offices, that if there is an immigration matter that comes before us it more often concerns a refusal of a visitor's permit to Canada. When there is an intervention by a member of Parliament questioning the wisdom of not granting a visitor's permit I would say that on 99.9 per cent of the occasions that this happens the visitor's permit is granted.

What we are trying to do with Motion No. 5 is eliminate some of the abuses that we have been finding recently in the foreign offices throughout the world, some of which we have heard of just recently. The amendment deals with the further presumption that when a person makes a statement under oath to a department official in our embassies that there is a fundamental rule in law of a presumption of innocence.

What we should be doing in this instance is presuming that the person who comes to our offices to be granted a visitor's visa should be presumed to have told the truth about everything in that application. At this particular period of time there is a presumption that perhaps what is being stated to a visa officer is not true.

What we are really doing in this motion is enforcing the concept which we all hold very dear in the system of laws that we have in this country, which is the presumption that the person who is making those statements is making the proper statements.

Therefore, we recommend that particular change with respect to the additions of the immigration officer being put into the position—and the operative words in the section that we propose are "shall not refuse", providing certain conditions in that application are adhered to. Once those conditions are adhered to it should only be a matter of procedure that the visitors' visa be granted to those people planning to visit relatives or friends in Canada.

Motion No. 70 concerns the residency requirement. It says that at the time of issuing an immigrant visa the period of time allocated to live in certain communities within our country should be limited to a two-year period.

I must confess that I have some doubts about this particular section. I am absolutely sure that this is one of the first sections of this proposed act that will be tested in the courts, right up to the Supreme Court of Canada, if it should pass. If a person becomes a landed immigrant and eventually becomes a citizen of this country and is forced to stay in a certain area, it infringes on the Charter of Rights and Freedoms.

If I am correct, what we are trying to do in legislation such as we have before us today is prevent the application and the costly processes with regard to legislation this House passes and which places a tremendous burden on Canadian citizens to have their matters tested in the courts. It is the duty of all of us who have anything to do with the wording of legislation to provide the proper legislation to prevent the necessity for this particular section to be tested in the courts for interpretation.

This is the highest court in the land. We should be very precise in the wording we use and very precise with what we are asking people to do through legislation such as this so that it does not interfere with the Charter of Rights and Freedoms of Canada.

I would suspect that this is a matter that would be tested in the courts in very short order if this motion is not adhered to.

I might also add that on the residency requirement the Senate committee voted unanimously that this amendment, requiring a period not exceeding two years, be accepted. We propose that amendment with Motion No. 70.

Motion No. 74 concerns the refund of immigration fees. The bill as it reads now anticipates a retroactive processing charge of immigrant applications up to the point of either a suspension or a cancellation by the minister. Our amendment is again based on procedural fairness. The change that we are proposing in this particular motion is that once an application is accepted by a responsible official of the Government of Canada if that application at any time is thwarted because of procedural requirements or whatever reason, which should have been discovered at the time of acceptance of that application, then any funds paid by the person making the application should be refunded.

I believe the cost now is about $350. To some members of this House $350 is not a great amount of money. However, for people of Third World countries $350 is a large amount of money. That represents perhaps their total life savings, which they have given for the opportunity to come to Canada.

We would suggest once an application is accepted and the fee is paid that if there is a breakdown in the process or a suspension of the process that money be returned to the applicant.

Those are the points we want to make. We impress upon the government that they are very valid points. In some instances they will stop court proceedings. There is then a certain procedural fairness that applies to all Canadians by adhering to the Charter of Rights and Freedoms of our country. It would make good sense if all sides accepted those recommendations.

• (1640)

Mr. Rey Pagtakhan (Winnipeg North): Madam Speaker, I am delighted to speak to these amendments.

First, I would like to congratulate my colleague for Thunder Bay—Nipigon for his excellent work on behalf of our caucus on the many amendments that have been proposed. I would also like to remind the House that the bill we are discussing today consists of some 113 pages, 128 clauses, the most extensive amendments in the history of the Immigration Act in Canada.

We should give due care and time to consider the amendments that we have proposed today. With respect to Motion No. 3 respecting family members, I would like to indicate that I strongly underscore the point made earlier by my colleague.

Indeed, we should continue to respect the individuality of citizens wherever they are. When they come and apply to Canada to be potential immigrants, the difficulties of one may not be used to penalize the potential benefits of others that come to our country.

We have seen cases of that. I have seen actual cases of a family member left behind. Now they are trying to continue to so–call extend the investigation of the remaining family member. Therefore, those who have arrived are filled with fear and trepidation. Will they be sent back if this one additional member of their family is unable to be allowed in under our current regulations?

I would like to underscore the fact that yes, we must evaluate those who have applied. Consider them on the basis of their reasons and intentions and the wishes of those of the same family who elect for whatever reason not to be included in that application must be respected. I have wondered if without that amendment being adopted we can in fact prevent really large families from coming to Canada under the guise that one family member is not admissible. That is not in keeping with the standards of the United Nations.

On the second point, Motion No. 5, regarding the visitor's visa, indeed we must underscore that the presumption of goodwill must be in favour of the applicant. We are proud of ourselves as a nation. We try to promote tourism to Canada. What better tool for tourism to say yes, Canada welcomes visitors from any land. Visitors applying to visit the country should not be quizzed as though they were already on trial, as though they were committing an offence. It is really a disgrace if we let the impression continue that in order to enter Canada you must pass a critical test, almost like a judicial trial.

We have to give the presumption of favourable consideration to the visitor applicants, moreover I submit, particularly when relatives of the potential visitor applicants are citizens of Canada. Can you imagine a Canadian citizen deprived of the benefit of a visit from his or her relatives from their country of birth?

It would be most painful, particularly when those visits are to join families in Canada in a special celebration such as a wedding anniversary. A golden anniversary is a classic example. Sometimes even when visiting family members whose relatives are near death in a hospital they encounter problems.

I submit that we should give good guidelines to our immigration officials so that they too will be placed in an easier position to evaluate. Let us remove from them as well the heavy burden of making the judgment as though the visitors are to violate the immigration law and the law of the country.

On the motion submitted by my colleague for Scarborough—Rouge River, I would like to indicate that this suggestion on the part of my colleague is really an attempt, almost a last desperate attempt, to find an additional tool with which we can allow legitimate visitors to enter the country.

If one were to ask me, we ought not to come to the requirement of a surety or a bond, but my colleague in trying to find a solution and give that extra ounce of assurance has come up creatively with this proposal which I support. I would like to indicate that perhaps this type of requirement would not be the routine requirement in the future.

On the issue of Motion No. 70 about the residency requirement, like my colleague from Thunder Bay I am seized by a nagging fear that this requirement may be contrary to section 6, paragraph 2, of the Charter of Rights and Freedoms. This section guarantees the mobility of any Canadian citizen, including landed Canadian immigrants. By reducing it to a two–year requirement, it could be construed perhaps as a part of a work contract. I am sure prospective immigrants would not mind that kind of designation to a designated place. I hope the courts would take a reasonable look at that.

I was once an immigrant. I entered the country in 1968. When I entered the city of Winnipeg in Manitoba, I did not think that I was only entering Winnipeg, although I knew where I was going geographically. I knew I was becoming a Canadian immigrant and in the future a Canadian citizen, which I did some three or four years later, in 1972.

The intention of the immigrant to be a Canadian should be looked upon with the kind of broad view that truly it is more than a mere statement of wanting to be a Canadian. There is inherent in that the rights that accrue to being a Canadian immigrant and in the future a Canadian citizen. Those rights are entrenched in the Citizenship Act and also in the Immigration Act.

On that basis, I definitely support a limitation of the residency requirement to at most two years in the belief that this will facilitate the entry of some of the immigrants in areas where their expertise and skills are needed most during a certain period of time.

Mr. Derek Lee (Scarborough—Rouge River): I want to thank you for reading through the amendment which was a little long but it was either you, Madam Speaker, or me who was going to read it.

In looking at this amendment, I want to ask members to put on somebody else's shoes here. I want them to put on the shoes of a Canadian who has a mother, father, brother, sister, son or daughter who is not a Canadian citizen and who resides in another country.

I want members to do that and then plan a visit of their family member, let us say their father or the mother. Plan a reunion, go through all of the planning, set aside the funds, get the family organized here, get the family organized there, purchase the airline ticket, which for overseas travel could be $1,000 or $2,000. Maybe it is the father and the mother. Then I want the members to think about their father and mother lining up at a foreign embassy or a high commission for a few hours, starting maybe at 5 a.m. or 6 a.m. and then being told to go away and get some more paperwork. Go and get a letter from your son or daughter in Canada. Do something else, we are missing a piece of paper. Come back next week. Bring them back next week, go through the process again, and then have the Canadian official decide no. In that context let us not have the Canadian official give any reason for the rejection of the application. Let us take the mother and father in that country and take them back to their home and have them write or telephone the son or daughter in Canada and say: "We were turned down. We do not know why".

• (1650)

I want members to put those shoes on and try to figure out why it is so many close relatives of Canadians living in countries abroad are turned down for visits. I know it is a large number because my constituents come to me with these problems. Maybe it does not happen in a lot of cities and towns across Canada, but it does happen in the riding that I represent. I know it happens in all of the ridings around my riding in metropolitan Toronto, and is probably a similar circumstance in Vancouver, Montreal and in other larger cities in Canada. This is a problem.

I want members to wear those shoes and I want the members to try to think of a way to overcome the problem. To date, we have not.

The law says now that the burden of showing entitlement to a visitor's visa is on the applicant, not on anybody else. If the applicant simply fails to convince the visa officer that he or she is bona fide and that he or she will comply with the terms of the visa, simply failing to convince is sufficient. The visa officer does not have to decide that person is a liar or will not comply. The visa officer simply has to reach a conclusion that the applicant has failed to convince.

There are a lot of reasons why these kinds of applicants could fail to convince. For example, they may not speak English very well. This happens all the time. They cannot convey. They are bona fides. They cannot convey all the nuances that have to be conveyed in trying to convince a visa officer that they are bona fide. I want members to think about that.

I and all members recognize that there are abuses. There have been abuses of the visitor visas and it still goes on now, originating from many countries. The current system penalizes the close relatives of Canadians, Canadian citizens. Canadians say: "Why can my mother, father, brother, sister, son and daughter not visit?" I do not have an answer for them.

This amendment which I have moved would permit a Canadian to put forward a surety or form of guarantee to the immigration deputy minister in the same type of surety vehicle that exists now for people who are released from custody by immigration officials. This would assist the visa officer if that surety was in existence and put forward by the Canadian in relation to the proposed visit of the mother, father, brother, sister, son or daughter. The visa officer would then know that there was a Canadian at the other end because sometimes they do not know that. They would know there was a Canadian who had put forth an undertaking that manifested or articulated the good faith of the Canadian in relation to the visit.

Some have suggested that there could be a charter problem here, but I do not understand that. I do not understand it because we already use sureties under the Immigration Act. Already visa officers abroad will consider letters from the Canadian relative alleging good faith or offering good faith and undertakings of financial support of the proposed visitor. As it so often happens with family visitors who do not often come with a lot of money, they stay with the relative here.

That is what my amendment proposes. My amendment does not change any of the existing criteria for visitor visas. None of those criteria are changed. All that it does is permit the addition of one new element, the surety

representing the good faith of the Canadian in the invitation of the visitor who is a close family member.

I say to members here and I say to the members opposite recalling that this very subject was a matter which was considered as part of Private Members' Business in this House about a year ago. I say to them that it is important. I say that the Department of Immigration has not fairly and adequately considered this as a problem for reasons which I do not know. I certainly represent Canadians who know that it is a problem. The government has not responded. I say to it: Please, do not miss this opportunity to address this very particular and very real problem.

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, I rise particularly to speak to Motion No. 7 which stands in my name. Since it is a very simple motion I will have to explain what it is.

On page 16 of the bill, section 10.2(1) states:

> An immigrant who makes an application in Canada for landing may apply on behalf of that person and every dependant in Canada.

The point of my amendment is to strike out the words "in Canada" and replace them with the words "of that person" so that immigrant would be able to apply on behalf of himself or herself and every dependant of that person.

If a family is coming here and perhaps one teen-age dependant remains to study in the old country or for some reason wishes to stay temporarily but follow, it would seem to me very unfortunate if that person were not able to have an application for landing processed along with the parents and any other brothers and sisters.

It would be doubly unfortunate if the sponsorship procedure, which has now slowed down considerably through the mail-in arrangements at least around Toronto or the general crowding caused that 17 or 18 year old to be delayed in the working out of his application until he or she passed the age of 19. In that case he or she would no longer be a family member within the meaning of this act. He or she would have to apply as an independent immigrant and might have great difficulty doing that or at least have an unexpected delay.

It seems to me to be reasonable to allow the general immigrant family the same procedure as this bill allows to a person who has been found in Canada to be a refugee and is therefore entitled to apply for the landing of his whole family, which is almost always outside the country, at the same time as he or she applies for his landing.

I applaud the decision of the government to make that provision for the refugee because we have had great distress of thousands and thousands of people in refugee families who have been separated. I am not suggesting that there is likely to be the same amount of trouble in the same number of people in the non-refugee cases. In fact, landing within Canada, apart from refugees, is the exception rather than the rule. It will not happen very often and it has not happened very often. The rule is landing from outside Canada where this question does not apply.

I ask the members opposite to consider for their own constituents as well as for everybody elses' constituents the convenience, where it is asked, of making the application for all the dependants, including any who are overseas at the time of application in the case where a person is making application from within Canada himself or herself. It seems to me that it would be just as efficient from the point of view of the department and far more satisfactory from the point of view of that dependant and of the family.

While I am on this, I wish to comment on these other motions that are before us in this group.

• (1700)

Motion No. 3 would change the wording in clause 4 to "any or all accompanying dependants". It makes much more sense not to force people, if they do not wish it, to make an application for dependants overseas. For the reasons that have been given already, it should be left to the choice of the family concerned. It may be necessary to make certain assurances that the choice will not be reneged upon in legal form. However, if it is reneged upon, it should only be with the minister's permission or something like that. It seems to me quite unnecessary to restrict the family from that freedom of movement.

We should all be strongly in sympathy with Motions Nos. 5 and 6. I do not imagine there is any member of Parliament who has not been genuinely distressed at the difficulty that some constituents have in getting a visitors' visa. We heard the argument previously that if anything is written into the law then it becomes a matter of right that people can demand and even, perhaps, a subject of litigation. This is true.

In my experience the large number of applications for a family visitor that are delayed and even the large number that are finally refused as well as delayed is out of proportion to the danger of abuse in the other direction. I think the present abuse is to the disadvantage of the family and not really to the advantage of the department.

I wish to speak also on Motion No. 70. This new system of requiring some immigrants—we are told it will only be a handful—to live in certain areas is unnecessary. It will be entirely at the discretion of the government. Some immigrants will be told they have to go to Podunk and work at such and such an occupation. At present there is no time limit given.

It was suggested that it might end at three years when the person becomes a citizen and, therefore, can claim charter rights. I am not clear on that. If charter rights do not apply when the person is a permanent resident, I am not sure they apply when the person is a citizen. Alternatively, if a citizen could complain against that, then why not a permanent resident under the same charter?

I think a time limit is needed and it should be two years rather than three years. Things are mobile enough in Canada that circumstances change. I know that what was once considered mandatory conditions have now been softened so that they are not mandatory conditions and people can apply to have them changed if employment or living arrangements fail or something of that nature.

It would reduce the unnecessary burden of applications if the requirement to live in a certain area was limited to two years. Not all permanent residents wish to proceed or do proceed to citizenship at three years. Some people have stayed here for many years for reasons satisfactory to themselves and presumably of no harm to anybody else. I would not want them then to be held by this.

On Motion No. 74, where an immigrant has paid fees for a visa application, the fees so incurred shall be reimbursed to the immigrant if the application is refused or is not considered as a result of retroactive regulations.

It is quite true that the present fees—and they probably are not likely to go down, they are more likely to go up—can be a serious burden, especially on a family of several members from Third World countries, or even from many European countries. With the uncertainty that the application could be cancelled part way through by a retroactive decision and that the fees would have to be paid all over again, or the plan given up entirely even in future years seems to me a way of keeping immigrants out of Canada.

If that is not the intent of the government, I would hope that it would agree to this amendment. I know the government has emphasized the wish to have good immigrants, and I think we want immigrants to be attracted by reasonable government with a reasonable law such as this amendment proposes.

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, I want to thank my colleagues for the comments they have made.

A number of points were made that will be extremely useful and will ensure that we have a fair, common sense, sensitive, orderly and humanitarian policy on immigration.

Most of us are coming at this from the basic principle that immigrants can and do enrich our country in many ways. We have in this House a colleague who has come from another country and has contributed a great deal to Canada.

In my own riding, we have a week called Kermes Week when we celebrate the achievements of the Belgian community. We have Folklorama as well where we have 50 various kiosks celebrating the various contributions of Canadians from some 50 different countries.

One of the points that I want to stress very strongly is that we have a number of what one could call nightmare situations or horror stories. I want to share with the House one case with which I am dealing currently.

A Canadian citizen whose widowed mother lives in Bangladesh has been waiting for two years and eight months and has not yet received even an interview. Still ahead of her are a background investigation and medicals. I find this deplorable, unnecessary and shocking. This mother is virtually by herself and almost three years later has still not been responded to.

In another case, a citizen in my constituency found out that members of his family in Vietnam had left on fragile boats and had reached Hong Kong. They could be repatriated to Vietnam at any time and there are serious questions which have been raised about the fate that awaits them on their return.

Perhaps the one issue—some of my colleagues have spoken about it—that enrages Canadian citizens most are those situations where parents or relatives want to come and visit them, but are unable to do so. Imagine the silliness of it all. We have mothers and fathers, brothers and sisters and sometimes spouses who will go to a point in the United States that is close to Canada and that individual who is here with a visa, or he may be a Canadian citizen, will go out of the country in order to visit those relatives or friends.

I cannot imagine this, particularly when we want to promote our country. We want to make sure that people come here rather than the United States. We want them to visit with their relatives at their home, to be able to share with them their new lives.

I will give you three quick situations. In one instance, a young woman is studying at the University of Manitoba and her husband is studying in Australia. Her husband wants to come to Winnipeg to visit his wife and there is the likelihood that he may want to stay here. I understand that, but at the same time once we have had a written commitment from both parties, it seems to me that we ought to take a chance. The reunion of those two people has been prevented.

In another instance, a gentleman who is a Canadian citizen wanted his mother-in-law to come to his wedding. Again, I understand that there may have been the possibility that the person from another country wanted to come and stay and they were prepared to make written commitments and yet that particular person who wanted to come to Canada for that wedding was unable to do so.

• (1710)

Finally my third example is of a woman who had not seen her parents for some time, whose parents were denied entry into Canada, even though she was a Canadian citizen. She had to fly out of the country to see her mother and father. I find that shocking and really unnecessary. This is one issue that must be dealt with.

I just want to make some very quick comments about the other amendments here. Clearly we need to deal with the applicant. Whatever the other members of the family do, in whatever way family is defined, should not have an impact upon the applicant's desire to come into the country.

I think we have to respect the fundamental principle of Canadian law as well that whatever is declared is true unless proven to be untrue. Otherwise, we apply two different standards.

I want to question the government—I say this in a very positive kind of way—about the residency requirements. Everyone tells me that it will not hold up in court. I wonder whether or not the government has checked this out. Is the government in fact proceeding here, yet it is for naught because it will not in fact go through?

Finally, with respect to immigration fees, I would like us to consider just how much $350 is today in Canadian money and how much this really represents to those who are very often in extremely difficult poverty-stricken situations. We really need to examine that.

We need to take very seriously those criticisms, those points that are being raised by organizations, including churches, that are committed to making sure that we have an orderly, sensitive and humanitarian approach to immigration in this country.

Ms. Mary Clancy (Halifax): Madam Speaker, I am delighted to follow my other colleagues in speaking on the report stage of this bill. I am sad, too, that we are still having this kind of debate with regard to immigration.

I look around among my own colleagues in the House this afternoon. I see names that are French, English, Italian, Hungarian, Filipino, Irish, Jewish or whatever in one portion of this House. We are all immigrants. The fact that some of us came recently while some of us had families that came a century or more ago is merely a question of timing.

The second thing that amazes me about the fact that we are still having this debate and dealing with a bill that is essentially flawed, is the size of this enormous country with its enormous potential and with its need for a larger population. How many of us in how many parts of the country and on how many occasions have used the image of our tiny population strung out across the bottom part of the country? How many of us have gone to northern Canada, to the vast empty reaches of this country, to see what could be done if only we had more people? How much could be done if only we opened our doors

generously the way the doors were open certainly in the 17th, 18th and 19th centuries when my ancestors came here?

I hear my hon. friend from Alberta over there making comments about when the Liberals were in power. I guess what some of the people on the government side do not understand is that we in the Liberal Party learn from our mistakes. It might be something the hon. member might want to think on if indeed the process is possible. The hon. member from Newfoundland might want to think too, but I will deal with him in a minute.

One of the amendments that I want to talk about in particular has to do with family members and the questions that this bill raises. The bill provides that the government can assess all members of a family when it is deciding on the immigration application of one member of that family. That is nothing more and nothing less than guilt by association. There is a real problem.

It is true that some of us in this House subscribe to the theory of being one's brother's or one's sister's keeper, but this is going a little too far. Obviously in this modern age, and particularly in an age when families are split up and far away from each other even within one particular country, it is utterly insane to decide whether or not Mr. Jones should be accepted on the basis of whether or not his brother is an acceptable candidate. It goes against the rules of natural justice and it goes against those principles that we hold dear in our own Charter of Rights and Freedoms. I think it is utterly appalling that we are even contemplating something of this nature.

Look at the question of Canada and its immigration policy particularly in the world that we are facing today. Look at what is happening in eastern Europe. Look at what is happening in Africa in Somalia. We see the carnage in Yugoslavia and we know that there are those who are refugees in the truest sense of the word. They have no homes to go to any longer because their homes have been destroyed. They are the victims of civil war and insurrection based on ethnic cleansing or on religious bigotry.

We look at this immense country. We look at this blessed country. We look at each one of us who came ourselves or whose ancestors came here to escape something similar in another country to make a better life.

The parliamentarians and legislators of this country say: "Too bad for you. It is too late for you. I have my share. I am here but the rest of you can stay outside the door". How can we? How dare we? We did that, tragically, in times past in this country and all of us bear a portion of our national guilt for that. I do not want future Canadians to bear the same kind of guilt especially when a larger population is something we so desperately need.

Before I came up here on Monday, I was fortunate enough to be present at a YWCA breakfast where they awarded the peace medal to one of my constituents, Dr. Joni Guptill, who has been very active with Doctors Without Borders *Médecins sans frontières* in Africa and in Yugoslavia. Dr. Guptill herself spoke about the conditions in those countries. Peter Dalglish is the executive director of Street Kids International, an international foundation based in Toronto that looks after street children. He is a man who is known to many of us on this side of the House at least. He spoke at the same time as Dr. Guptill about the need for Canada to be generous.

The amendments we are bringing forward in this group and in other groups of amendments today are an attempt to make us more generous. We are known world-wide to be among the luckiest citizens on the face of the earth. Because we have so much, are so lucky and live in this incredibly wonderful country, we should be able to share this with others.

It is incumbent upon us to be generous. It is incumbent upon us to show that the legislation that we have dealing with immigration is open and forward looking and welcoming to those people in the world who we can use. The myths have been debunked. Immigrants are not a drain on the public purse. Immigrants do not create difficulties and problems to any extent in the manner that some already arrived and long-term Canadian citizens do. Immigrants are a blessing to a country.

• (1720)

Most important, each one of us has an absolute duty to remember from whence we came. We must not be smug and self-satisfied. We must know that the life-blood of our country and its future will be immigration. We forget this at our peril.

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, I would like to go back to a more specific issue that my friend for Thunder Bay—Nipigon was dealing with before. That is the issue of the visitor's visa and the very discretionary way in which visa officers in our embassies and high commissions deal with that.

I can give a number of examples of problems that I have experienced in my constituency office with families. They tried to bring family members from their homeland overseas to Canada and have had the experience of seeing them rejected in a very arbitrary way by visa officers overseas.

Many of these people are long-time citizens of my constituency who are productive and contributing members of Canadian society. These people are respected in their community, the province and across the country. They have been deprived of the right of contact with family members overseas because visa officers in our high commissions and embassies act in a very arbitrary way.

In many cases these potential visitors are even denied the right to make a written application to come to Canada as a visitor. Let me give you some examples. I had a constituent who is in the import and export business. One of his business partners is a citizen of the Philippines. She is between 25 and 35. The minute she went to talk to the Canadian immigration officials in the Philippines, they decided at first sight that she was an unsuitable visitor to Canada.

The reason for that is that some visa officers overseas have decided that women from certain countries who are of marriageable age would probably violate their visa requirements by trying to marry a Canadian and then apply for landed status in Canada. This woman was denied the right to even apply for a permit.

My constituent called me and asked me to write a letter of recommendation outlining the fact that this woman had been to Canada before on a 60-day visitor's visa and had done her business in Canada. She had travelled around to look at markets and at potential products to market in the Philippines. She had actually gone back before her visa had expired and was, in fact, an exemplary visitor to Canada.

Yet, this woman was rejected on sight. She was not even permitted to make a written application for a visa. She was simply rejected on sight. I think the immigration officer made a judgment that because she was of marriageable age that through his determination she was not entitled and was not a suitable visitor to Canada.

That has happened on a number of occasions. I know two young women from Chile who attempted to apply to visit Canada. At first, they were reluctant even to approach the Canadian embassy in Chile. They had heard from previous applicants that women of their age, determined by the visa officer to be of marriageable age, are not suitable visitors to Canada because they are likely to attempt to marry a Canadian male and then apply to stay in the country.

I point out that these women are not permitted to make applications. They are simply denied the right to come to Canada on sight because of a discriminatory choice that visa officers made about these women based on their marriageable age or entitlement to be married.

My concern is that the process used now is extremely arbitrary and open to those kinds of discriminatory choices. There has to be something written in legislation which first allows a person who applies for a visitor's visa to be able to make a written application and to outline their suitability to be a visitor to Canada. If they are denied, they should have the right to the reasons for that denial, reasons for the statement made by the visa officer that they are not a suitable visitor, and there should be a process to allow them to appeal.

My concern right now is that many of these people get their family members in Canada to go to their members of Parliament for a letter of recommendation outlining the family's residence in Canada, the fact that they are good citizens, and the fact that this person overseas—whom you do not know and only have the family's word for it—is unlikely to violate the conditions of the visa and is unlikely to stay in Canada at the point the visa expires.

As I have said, my concern is that the process is arbitrary and by requiring people to visit their member of Parliament to get a letter of recommendation it is also politicizing the process so those visitors from overseas get the impression that in Canada the right to visit this country is a right that is handed out by politicians in local communities. I do not think that is the impression we would like to convey to the visitors from overseas.

I think the process should be fair and non-discriminatory. It should be conducted in such a way that we allow Canadian citizens who at one time emigrated from other countries to have free contact with family members and friends from their homeland. I think they are being treated unfairly because of the arbitrary nature of the process as we currently have it under the act.

Finally, I would like to outline another case from the Philippines. Two of my constituents, a husband and wife, invited the wife's mother over to visit. They had not seen the wife's mother for many years. She was getting old, so they invited her to Canada to visit. She wanted to bring along her son because she did not feel she could make that journey. It is a long journey from the Philippines to western Canada. She did not feel she could make the journey alone. She might get sick or lost and she did not have the same kind of facility with the language that her daughter and son-in-law in Canada had. She wanted her son to accompany her.

Strangely enough, the visa officer accepted the visa of the mother and rejected the visa of the son because even though he was fully employed in the Philippines working for a telecommunications company, even though he had family in the Philippines that he was going to be leaving behind in order to come on this visit with his mother, even though he had a home and a job, all of those things, it was felt that as his pay with the telecommunications company in the Philippines was low he was likely to stay in Canada and try to apply for a job in Canada where his skills are paid for at a much higher rate by telecommunications companies.

What an arbitrary way to make these decisions. So the son was rejected and because the mother could not travel without accompaniment, she ended up not being able to visit her daughter as well. Again they came to me and applied to me as a member of Parliament to write a letter of recommendation as to the good name and reputation of my constituents living in Port Alberni.

The process should not be as arbitrary as it is and it should not be politicized the way visa officers in embassies overseas are forcing it to be. There should be a process laid down where family members of Canadians who are resident overseas and who want to visit Canada should have the right to make a written application for a visa. That visa should be processed according to certain criteria that those applicants are aware of.

If they are rejected there should be good reasons made for rejecting them and there should also be a process available to them to appeal. At that point during the appeal process then possibly the member of Parliament or other people willing to make recommendations should be involved.

I am concerned that what is happening here is that Canadians who have come from overseas are being denied the right of contact with their families as a result of arbitrary decisions being made in visa, embassy and high commission offices overseas. I hope that the amendments to this legislation will correct that kind of discriminatory behaviour and make it possible for Canadians to have those kinds of family contacts and visits from overseas.

• (1730)

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, I do not think there is any bill that touches more the expression of what this wonderful country of Canada is really all about: the openness, the respect for difference, and the wish of people around the world to come and either establish themselves here or visit family who are here, or perhaps just visit and see what this whole country is all about. We certainly raised the vision and the visibility of our country over the last couple of months. Nonetheless, we still have lots of people who care to join our shores who recognize the uniqueness of the diversity that is Canada when that diversity includes its culture along with its geography and its language.

We are dealing with specific amendments in this report stage to this extraordinarily complex bill. When I looked at this bill I could only say to my two colleagues, the member for Notre-Dame-de-Grâce and the member for Thunder Bay—Nipigon, that they really had to have a tremendous amount of courage and enthusiasm to face a bill of this size in the very short time this government gave them to address the major concerns that are in this bill. Also, over the summer break while the rest of the members of this House perhaps were having some holidays and working in their ridings, these members had to sit and hear witnesses—I am glad at least we allowed witnesses to appear—and go through this enormous bill.

I have forgotten how many pages it is. Somewhere I had the number of pages because I was quite fascinated. We are talking about a bill with 128 sections and 113 pages. It is quite an extensive bill.

The amendments we are addressing today in this report stage start with the questions brought forward by my colleagues, the member for Notre–Dame–de–Grâce and the member from Thunder Bay, with respect to the matter of a visa. From my experience as a member, I can tell you that I have had so many visa refusals it is becoming almost an embarrassment. It would seem to be that there are more refusals coming from countries like Sri Lanka, India, Bangladesh, Russia. There is something wrong with the extent of what would seem to me to be countries which seem to be suffering more than other countries in terms of the receipt of a no on a request for a family visit or a visa.

I had one case that I dealt with today with our consulate and our consul general in New York. It was with a great degree of frustration that I spoke with our officers there. I must say that I was quite impressed with the quality of the service I received and I particularly noted Mr. John Baker who was very helpful and seemingly very thoughtful.

Nonetheless, he had some misinformation on the documents which he was reviewing. I am not suggesting that it was done in any kind of a duplicitous way, but I am saying that it was very difficult to try to resolve the problem of a Sikh family in my riding who were joyfully celebrating the marriage of their daughter, who just graduated as a doctor, to a doctor colleague. The wedding was taking place in New York. This gentleman, who is a substantial member of our community and well respected, had invited his brother and his brother's family to come to the wedding.

Only the brother intended to come and went to our offices in New Delhi, applied for a visitor's visa and was turned down in no time flat. He was turned down and it was a great disappointment to the family. He went across the street or however far away the United States Embassy was and he got a visa in a very short order. He landed in New York.

The wedding was this past Sunday. To Mr. Gill and his family, I wish them congratulations and I hope the young couple has a very happily wedded life.

His brother who is now here would like to come from New York to Montreal to visit the rest of the family. Once again, the gentleman went with his brother, a Canadian citizen, to our office to explain his case. He was there as an interpreter. I would suggest that the immigration or the consulate office says that perhaps it spent 10 minutes with him, but according to my friend he felt that maybe it was five minutes. He said: "Really, it felt like one minute but maybe it was five to seven minutes. They did not even listen to me, Mrs. Finestone. They didn't listen when I said I had a letter from the bank attesting to the substance of my brother. I had a letter from the bank which is an affidavit as well to the land that this man owns. I had this letter describing the fact that he is a man who is married with a wife and two children". His daughter is presently in a masters program at the university in New Delhi and he has family and obligations. He is well–to–do and well established in his own country. He wants to come merely for a visit.

The assessment that was given to me was that this gentleman has no ties that would make him want to return to India. He has no ties to his home country, no stakes to go back to and therefore, he does not seem to be a good risk. Frankly, I find that to be a matter of personal judgment, number one; no criteria, number two; and quite inhuman in the course of the joys of those particular moments in life when one would like to have one's family present.

I certainly am very supportive of the amendments that are brought forward and I hope the government will be with respect to having within the bill certain criteria that will help the visa officers in very crowded offices overseas have guidelines. Then it will not be arbitrary. There will be guidelines. As a matter of right, certain decisions will be taken without using a discriminatory sense of what one thinks is a person's potential to evade the proper procedures of immigration to come here and perhaps claim refugee status, which was not the intent at all in the case I mentioned.

Therefore, the motion makes good sense. I hope the government will seriously consider "that a visa officer"—this is the amendment—"shall not refuse to issue a visitor's visa to a person who made an application pursuant to subsection (1) or any of the person's dependants where the person satisfies the visa officer that: (1) A person has a place of residence, immediate family and permanent employment in the person's country".

I heard my colleague from Vancouver describing just such cases which would have had no problems on landing had they had this mere, simple criteria. Second, "that the person and the person's dependants as the case may be have return tickets and intend to return to that country; or the person does not have a pending application for landing".

For the purposes of whatever paragraph 6 (b) is in this instance, "the fact that a person and the person's dependants will return to the person's country shall be presumed unless there is strong evidence to the contrary". I do not know why we have to presume everybody is filled with ill will and *mauvaise entente*, poor intentions. I think the world generally is a decent place and individuals on a one to one basis should be presumed to be innocent rather than be declared guilty before the fact.

That is the first of a series of amendments which I think are important. I hope that we will give serious support to a list of directions. I see the parliamentary secretary shaking her head no. That is not very helpful.

Mr. Reid: That is the minister.

Mrs. Finestone: Are you now the minister? Pardon me. Excuse me, I forgot that. I am sorry, but as the minister I would hope that you would not be shaking your head no. Besides which, she is not the minister of immigration, Madam Speaker, so I hope that the minister of immigration will be a little more open to this.

The second set of motions I would like to address has to do with the question of the resident requirements. Under resident requirements, a person is sent to live in a certain area. I am concerned about this being subject to a charter challenge and I would strongly represent the right of mobility rights for people who come to this country. Has the notwithstanding clause been put in here? If not, it is the only way this would stand a charter challenge, I believe.

• (1740)

Mr. Tom Wappel (Scarborough West): Madam Speaker, I want to take this opportunity to speak to three of the amendments in the group, specifically Motions Nos. 3, 6 and 70, and I want to do so with some particularity.

Motion No. 3 deals with an applicant for an immigrant's visa. The section reads: "An application for an immigrant's visa shall". That is key because it is mandatory for the visa officer to consider the person making the application and every dependant of that person.

That is very important because the visa officer, therefore, must consider every dependant, whether or not that particular dependant is going to be accompanying the applicant to Canada. There have been many, many cases, and all of us in this House can cite them, where there has been unfairness because a person defined as a dependant under the immigration laws has prevented a family from coming to Canada even though that particular person who is defined as a dependant has no wish to come to Canada.

The intent, it seems to me, of Motion No. 3 is very clear, and that is to say all right, those who wish to come to Canada have to be considered, but those who are not accompanying the applicant should not affect the over–all application made by the applicant. That to me seems eminently reasonable. I stand to support it wholeheartedly. I am at a loss to understand what the department would find difficult about that. If there were some problem where later on somebody might make an application, one could always deal with that by way of regulation by saying that that particular dependant had to renounce or indicate that they would not use those who were allowed to come to Canada as a hook whereby they could come in.

There is a way of dealing with that without having to deny the entire application of the applicant and those dependants who would be accompanying the applicant, simply because another person defined as a dependant does not meet the criteria. I think Motion No. 3 is very, very reasonable and within the spirit of the Immigration Act and the proposed Bill C–86.

I would also like to speak in favour of Motion No. 6 put forward by my colleague, the hon. member for Scarborough—Rouge River. The House will remember that my colleague had a private member's bill which was, if not identical, very similar to this motion and which had an opportunity to be debated. I can tell you that from discussions with constituents of mine in the riding of

Scarborough West, this amendment is eminently reasonable in their view. It is very simple to explain.

Let us say someone wants their aunt to visit them. They say: "Listen, we realize that you are afraid that my aunt will not go back. What I will do is I will put up a guarantee in the form of a mortgage or a bond on my home. If this person that you allow in does not go back then I will forfeit that $25,000 or that $15,000, or $5,000 or whatever it may be". That is very, very reasonable. It shows the bona fides of the person who is making the application to have the visitor come in.

I am certain that if this amendment were allowed, if there was any abuse of the system once the Immigration department started cashing in on those performance bonds, in very short order the word would spread across Canada that the department means business. If there is a false application made the immigration department is going to call that performance bond. The point is that the fear of the immigration officer abroad that this particular visitor would not return would very quickly be dealt with.

Some might say that is unfair to those people who cannot put forward a bond. I say no because my hon. colleague has dealt with that in subsection 7 of his amendment which clearly says that the absence of any security described in subsection 6 shall not, —that is mandatory,— be taken into account in determining the question we have been talking about.

I think that in searching for a solution to a very difficult problem, my hon. friend has come up with a very reasonable proposal. It is not something that is new or unique, that has not been brought to the attention of the department. On the contrary, the department is perfectly aware of it. But for some reason, and I do not know quite what it is, it has failed to act on it.

Therefore I want to say unequivocally that I support this particular amendment and the idea behind it, which is clearly to permit people who are Canadian citizens or landed immigrants to have visits from their family and friends and to guarantee to the Government of Canada that those people are indeed visitors and not people who are using visitor provisions to get here illegally. That is a reasonable proposal which helps, not hinders, the immigration system in this country and I hope that the government would consider it.

Finally, I would like to address Motion No. 70 which deals specifically with subsection 114(1) of the act. It talks about prescribing the classes of immigrants in respect of which landing shall be granted and then goes on to say that there can be terms and conditions imposed, including place of residence and occupation.

Some are worried about the charter implications. I would like to say I am one who is not concerned about the charter implications because the relevant section of the charter deals with citizens and landed immigrants or people with the status of landed immigrant.

Subsection (ii.2) of the proposed amendment clearly states that the department can prescribe classes of immigrants in respect of which landing shall be granted "subject to terms and conditions".

Of course one of those terms and conditions can be that you must live in a place for a certain period of time before we will grant you landed status. Therefore that person during that period of time is not landed and therefore is not within the definition provided in the Charter of Rights and Freedoms. To me these arguments about the Charter of Rights and Freedoms is a red herring.

Having said that, the amendment that we in this party have put forward provides a time limit. That time limit specifically states that where there is a condition concerning the place of residence and occupation, that time limit cannot be a period beyond two years.

That to me is a reasonable proposition. It accepts the principle that is in the section, which is the possible requirement concerning place of residence and occupation, and yet says you cannot abuse this. There will be a specific time limit that will be imposed, which will be a maximum of two years. It does not have to be two years. It can be less, but it certainly cannot be any more than that. That is fair. By that time the department should be able to determine whether or not the terms and condi-

tions have been met. If they have, landed status should be able to be granted.

These three amendments are perfectly reasonable. I find it unconscionable for no one in the government to be standing up and commenting on these amendments or indicating why they are wrong or why they are not going to be accepted or indeed if they are going to be accepted. If they are, why do we not just get on with it, approve these amendments by voice vote and go?

If we are going to have a bunch voting no, if we are going to have a recorded vote, if we are going to get up and vote against these amendments, surely someone over there should be telling us what is wrong with these proposed amendments. It is not as if we are changing the entire act. It is not as if we are changing even the intent of the act. We are accepting the principle for example in Motion No. 70, but we are asking that there be a reasonable time limit. Where are the people who are going to be speaking against these amendments and telling Canadians why these amendments are unacceptable? I cannot see why they are unacceptable. They seem perfectly reasonable. I know for a fact, from discussions across Canada and in my riding, that these kinds of amendments are acceptable to the people of Canada. They are acceptable to immigrant people who want people to visit them, who want their relatives and friends to be able to come here and who are now meeting a bureaucratic brick wall.

• (1750)

For example, Motion No. 6 comes up with a solution. It comes up with a ladder whereby these people can climb over that brick wall and bring their friends in. We hear nothing on the other side and yet there is also a protection to Canada from those who would abuse the system because the bond would be forfeited. We do not hear any reason why there is something wrong with putting a time limit on a term and condition to live in a particular place, but most Canadians would think that is a reasonable situation.

Where is the negative here? If there is no negative, why do we not pass these amendments?

Mr. Ross Harvey (Edmonton East): Madam Speaker, I too would like to address a couple of the amendments set out in this grouping, perhaps starting with those dealing with visitor visas and the criteria being suggested to govern the granting of such visas.

I would be surprised if there were a member in this House who has not had the experience, probably many times, of having puzzled constituents come in to her or his office, saying that an immediate family member in *x*, *y* or *z* country has applied to come and visit Canada and has had that application turned down. You patiently sit down with the constituent and you go over the facts of the matter. You are left, time after time after time, scratching your head, trying to figure out what the heck the problem is. I had an instance just this last summer where we were dealing with a person who had been granted successive visitor visas previously. There was no change in that person's circumstances in their country of residence, yet they found that the latest application was turned down with, at best, a scant explanation.

This kind of utterly arbitrary exercise of authority certainly does the system no credit, it does the government no credit and it does the act no credit. Any attempt at this point to bring some degree of consistency and fairness into that, at present, utterly arbitrary system I would hope would only be welcomed by all of the members in this House. Again I say that I cannot imagine there is a member here who has not had this experience.

I do not understand why the government members would be, I assume, preparing to defeat these amendments. By the way, in my opinion, Motion No. 5 is superior to Motion No. 6, if for no other reason than the property requirements are not a proper element to be considered here. Were it mine to do, I would even loosen up proposed Motion No. 5. Be that as it may, these at least are an attempt to bring some objective criteria to the matter and, as such, I would hope would enjoy the widespread support of all members of the House.

Second, Motion No. 74 sets out in one small part to deal with the question of retroactivity that has vexed people who have considered this legislation since its introduction. This one small part has to do with fees charged for visa applications. That is all well and good, and I support it unreservedly.

However, I think that in considering Motion No. 74 we should have a thought as well for the general problem of retroactivity that afflicts this bill. There is major confusion at this point about which clauses in the new bill will be applied retroactively, and whether cases currently in the system will be continued or families made to reapply under the new regime established by this bill. The matter of visitor visa fees and immigrant fees are but one example.

There are other examples. I would like to give a couple out of my case files in Edmonton. One involves a woman who has been trying to sponsor her parents and two siblings since July 1990. After two years, little had happened. It was only through the intervention of my office that the application had begun to be processed. In the meantime, the father has died and the family abroad are dependent on their family member in Canada for support. Under the new quota system that the bill provides, it would only be if the family were lucky enough to get into this year's allotment that their application would be processed, if retroactivity is applied.

There is a chap who applied to bring his wife and children from Vietnam in 1986. It took four years to process the case and then, due to a number of circumstances springing from that prolonged period, the case was delayed. For the last two years, the case has been tied up in workings between various embassies in south-east Asia. These delays have been largely the fault of our embassies and procedures. If the case is not processed before the bill comes into effect, again this family will have to compete for spaces if retroactivity is applied.

In fact, the active cases I have in my office right now number at least 50 that will be affected to some degree by the retroactivity provisions in this bill. Therefore, I heartily support Motion No. 74 and would ask again that the government at least make clear its intentions with regard to retroactivity in this bill, intentions which to this day remain murky.

Last, the matter of Motion No. 70 and precisely what the authorities may and may not do in directing where people live, how long they stay, what professions they seek, et cetera, I would just note that I have a constituent named Andrew. He came to Edmonton because of the large Polish community there, the community being his sponsor in Canada.

However, given the authority contemplated in the bill, had the government directed his settlement it might have sent him to the maritimes or to B.C. because he was a fisherman. Now of course, he would be an unemployed fisherman. He came to Edmonton, trained as a carpenter, and he has been able to work consistently at his new profession.

I am trying wherever possible to back up the argument on the motions with concrete examples from my own experience of a constituency of average size, average population. This bill has serious flaws. They are flaws which at least are addressed and in part corrected by the motions we have before us in this grouping.

I now turn to the matter of visitors' visas and the utterly capricious way in which they are currently granted or withheld, the matter of the powers of the administration to direct people to do this. It has been correctly pointed out this will probably fall before a charter challenge. Also is the matter of retroactivity and what does or does not fall within retroactivity within the bill.

All of these things compel us to accept the amendments before us and I hope compel us, when we get the chance at third reading, to direct the government to go back and try again.

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, in my riding of Ottawa Centre probably over 70 per cent of the work-load deals with both immigration and refugee cases. This is no different from any other urban riding anywhere in Canada.

Most of our colleagues in the House on a daily basis are faced with requests and questions from constituents, who are trying to bring in a family member as a visitor or as a landed immigrant or whether they have a friend who is a refugee claimant.

I want to say that our public servants have done an outstanding job in trying to keep up not only with the demands of the Canadian population, but also with the demands that members of Parliament and ministers are asking of them. Unfortunately throughout the past three years we have seen a tremendous increase in the work-load of our public servants, and we have seen a tremendous decrease in the numbers in the work force.

In other words, as we have more and more demands on the immigration offices and on embassies abroad, we have seen less and less manpower being allocated to those areas. We only have to look at some countries where there are waiting lists in excess of 5,000 applicants that are trying to get into the country. They have applied to come to Canada as landed immigrants and are waiting in desperate situations in some of those cases. Our public servants are doing their best to deal with it. Unfortunately with the present resources they cannot keep up with demands.

• (1800)

The same situation applies in the national capital region. In some cases applicants or constituents have to line up at the immigration offices an hour before the offices open so they have a chance to inquire about one case or another.

Rather than speak about the over-all bill I would like to focus on a couple of aspects. One aspect deals with work permits for refugees. Under the present law a work permit is issued to a refugee after he or she is recognized at the first stage, the credibility hearing. The present bill eliminates the first hearing and a refugee cannot obtain a work permit immediately. Therefore, a refugee claimant is forced to go on welfare and tremendous pressure is put on our social welfare system.

One of the motions that my colleagues have proposed would allow a refugee to obtain a work permit upon request, providing that a medical exam is passed. For the life of me I do not see why the government would not support a motion that would reduce the pressure on our social welfare system and would turn the refugee claimant who was waiting for his application to be processed into part of the work force. This is a very important motion and I hope the government will look at it with a positive eye.

Today I received a letter from Amnesty International which is extremely concerned about certain aspects of this bill and in particular about issues that deal with the refugee determination board.

Under the present bill, for a refugee to gain admission to Canada, his fate is decided by a senior immigration officer at the port of entry. At this stage a refugee claimant would have no right to a lawyer and would not automatically be given an oral hearing.

Amnesty International, through its communications and through its presentation to the committee, has requested that this be looked into and be addressed in a fair and reasonable way.

On another point, some claimants will only be accepted as refugees if there is a unanimous decision on the part of the board. I wonder what kind of a democracy we are living in that you would need a 100 per cent approval rate. It is known world-wide that in a democracy, if 50 plus one have said yes, you proceed. This particular aspect of the bill will have to be addressed.

I must commend Amnesty International for its work on behalf of refugee claimants world-wide and I must also commend our public servants who have worked tirelessly trying to address some of the issues they are faced with.

We support certain parts of the bill that deal with those who try to abuse the refugee system. However, at the same time we have proposed a number of amendments that the government should look at with a compassionate eye.

If you ask me for my views on this whole aspect, amnesty should be granted to all the refugees coming from countries that have civil wars or other problems through some sort of an administrative system. In this way we could save millions of taxpayers' dollars rather than carrying on with a lengthy process that is not beneficial to anybody.

On a final note, the refugee processing system has cost the government in excess of $500 million so far. However, we do not yet have a grip on this situation. It is my hope that over the next few weeks the minister will look at this issue a little more closely and try to see whether he cannot grant amnesty to many of these people who come from war-torn countries. I think compassion is the key issue in helping to resolve their problems.

Again I reiterate the fact that many of the amendments are put before the government in good faith and it is my hope that it will address and deal with them in good faith too.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, I welcome this opportunity to join in the debate on Bill C-86.

The concerns of immigration policy are very much ones in which many members of this House share because of what happens back home in our constituencies. I know the member for Winnipeg North, who is participating in this debate, is also very concerned about the future of the Winnipeg immigration community because he and I share many of the same problems. He has done a great deal of work on behalf of constituents throughout Manitoba and across the country who have troubles dealing with the Immigration Act.

I would like to say at the outset that we should take a minute to thank the many public servants across the country and around the world who faithfully try to respond to our many requests for information and for clarification of the status of our constituents and who have to go through a great deal of paper work in order to make sure we have the best immigration policy in this country.

Whenever a request is made on behalf of constituents of Winnipeg North Centre the public servants are very generous with the time they spend on the cases and are very forthright in the way they try to deal with each individual case.

Immigration is an area which is of concern in Winnipeg North Centre because we have a large number of people who choose that part of Winnipeg as their first home in Canada. It is one of those areas in which, because of the inexpensive housing and the services available in the inner city, people choose to live to start out their lives. As they move up they move on to other cities or into the suburbs of Winnipeg. However, when they are first in Winnipeg they are very needy and we need to develop a system which is much more responsive to the problems facing new Canadians.

However, that is outside the content of Bill C-86 except for one important point. The spirit with which we deal with people from other countries as they arrive in Canada is one of the bench-marks we have used for our country as being a democratic and open society.

I have always been impressed by the way in which people, for example from Vietnam, the Indo-China Chinese community in Winnipeg, people from Hong Kong, mainland China, the Asian community itself has been brought to Winnipeg through refugee policies and settlement policies to seek out and make a living here. Then when they try to extend their roots by bringing other members of family, friends, or students within the extended family they find there are a number of barriers.

As we receive people from the rest of the world, we have to understand that it is in fact a changed process. We are not the society we were in 1900, not the society we were in 1950, and by the year 2000 we will be an entirely different society.

It is up to us in the House of Commons to make sure that we modernize laws so that they respond and respect the people who are now to become part of our society. When it comes to issues of defining families and issues of trying to figure out which refugee is acceptable and which one is not, we have to remember we are not trying to make those definitions for the country that we were in the past but we are trying to make it for the country we are becoming and will become in the 21st century.

I say this because so many decisions do not come naturally and do not come easily. Let me put this case to you. In order to build up a family business, to make money in a strange society, people depend on family members whom they trust. It does not matter whether the person speaks the local language, the question is do they speak the language of the family. Can they be trusted with the cash? Do they know how to do a certain business like the lumber business? Have they been involved with it for generations?

When people start a small business in a strange society they want to work within the family until they are more confident of the culture, the business attitudes, and the ethics of a new society.

• (1810)

We are the host society to these businesses but we do not provide a generous environment. People say to their member of Parliament: "Sir, we want to bring in family members to help us with our business", which is a great idea, but when we face the regulatory process we find it almost impossible to assist them.

As we look at Bill C-86 we should be asking ourselves if we are modernizing the legislation in such a way as to help those who are coming to Canada become more deeply rooted and more successful financially, so that when we look ahead we have the people who form the core of our new business and professional classes and who will become our teachers, our business people and the owners of large businesses.

We must deal with the macro-economic question, which people do not usually associate with the immigration issue. The major problem that faces the Canadian economy has been the total collapse of many of the traditional sectors that we have depended upon, and manufacturing has been mentioned several times in this House of Commons. However, to move beyond that, the problem is a depletion of capital.

As we have experienced the Americanization and globalization of the economy the ability of Canadians to compete has been severely limited. We have talked about this on many different occasions. However, if we are going to be practical and if we are looking at ways to rebuild the economy, who are going to best be able to adjust to the new markets in Asia? Who are going to best be able to adjust to the markets in the Philippines? Who are going to best be able to understand what is happening in eastern Europe? Who are going to best be able to set up small firms in this country and take the inter-generational approach to building up capital and reaching out to these markets?

They are not the companies that are closing down factories. They are not the companies that are pulling out of Ontario and the maritimes and have pulled out of Manitoba. They will be new companies that we cannot even imagine as we stand in the House and talk about this issue.

The cornerstone to the economic revival of this country will be a revised and modernized Immigration Act.

We, on this side, were very disappointed to hear today that the government was using time allocation to speed the debate up and push this piece of legislation through. The bill is extremely long and complex, with 128 sections and 113 pages. It is the most extensive revision to the Immigration Act since 1978, and it deserves careful consideration.

The committee met all summer and heard from dozens of groups across the country. These groups were well organized and spoke against what the government was trying to do. Even in this context the changes have been done quickly and are not fully understood at this time.

In these circumstances the government's original handling of the bill was deplorable. The bill was tabled for a first reading on June 16, 1992 and called for a second reading debate on June 19. The vote on second reading was forced under a closure order on June 22 with only one and a half days of debate. Consequently, there was not enough time to examine the bill in detail or to discuss it with immigration experts and NGOs.

I raise this issue because in the debate that I have had in this House about the child benefits package I have found that there was the same rush, the same inability to discuss things intelligently and the same inability to bring in good witnesses. In fact, when good witnesses did appear in the middle of the summer, which was the only time the government had to meet with them, every one of these witnesses said that this was a bad piece of legislation. However, the government continued.

I hope and I trust, in the spirit of goodwill which prevails from time to time in this House, that the minister will listen to the opposition's point that it is not necessary to push, push, push and change some of the fundamentals of our immigration law without considering the implications.

Under severe criticism from all parts of the country the government finally became more flexible and committee hearings took place during the summer. The clause-by-clause examination of the bill was completed in committee on November 5, 1992, and during the clause-by-clause process the government agreed to 65 amendments. Some of these were technical but others were substantial and have led to a certain improvement in the bill. To that extent, we congratulate the government on being flexible in receiving these changes.

Nevertheless, many key offensive sections were not amended and the bill as a whole is still unacceptable to us.

There are four major points we would like to make on the consideration and which our critics, the members from Notre-Dame-de-Grâce and Thunder Bay who have done a tremendous job in responding to this piece of legislation, would like Canadians to be aware of.

First, it would make it more difficult for law-abiding, hard-working immigrants to enter Canada, which is exactly what we do not want. Second, it puts barriers in the way of legitimate refugees. Third, it opens the door to inequity and capriciousness in the selection of immigrants. Fourth, it suspends traditional legal safeguards, especially in the areas of deportation without hearings, suspension of rights through retroactive provisions and so forth.

We also oppose the bill for two other reasons. One, there is an emphasis on enforcement as opposed to fairness and humanitarian values. Two, too much power has been transferred from the law and the House of Commons to the authority of the minister, which leaves the whole process open to abuse.

The Liberal caucus is providing a number of amendments that I would like the House to consider. We have provided amendments with regard to the provisions of how the assessment takes place with family members, with visitors' visas. It is unbelievable how difficult it is for people from many countries to come and visit family. We can almost say that the process is so biased against people from these countries that it borders on being an embarrassment to all Canadians. We have provided amendments dealing with work permits and many other areas.

Time is limited in a debate like this. However, although an overhaul of this legislation is badly needed I would like to say that this bill is a bad bill. We wish the government would withdraw it.

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Mr. Speaker, I appreciate the opportunity to speak on Bill C-86. These are the first amendments of any extent that have been made since 1978. There are many, many good things in this bill. What we are trying to do as a party is make the bill even better.

The proposed improvements to the bill have been a long time coming, but there are still some parts of the bill that are unacceptable.

An hon. member: Speak your mind.

Mr. Parent: The member from the other side is giving us encouragement to speak our minds and that is precisely what we intend to do.

In my view, one thing about this bill that should be noted is that it will make it more difficult for law-abiding, hard-working immigrants to enter Canada and will put barriers in the way of legitimate refugees.

I refer to the section on family members. The bill provides that the government can assess all members of a family when they are deciding on the immigration application of one member of that family. We are opposed to that provision. Through this amendment we propose that an individual should only be assessed with respect to those members of his or her family who accompany him or her to Canada under the application.

It begs the question as to how we can accept the fact that "the sins of the father are visited upon the sons" or vice versa. It seems to me that many people might be kept out because of some failure of another member of the family who at that point is not even applying to come into the country.

It is unfair to keep out an entire family because one brother or sister may have legal difficulties in his or her own country or might be a political activist who does not wish to come to Canada with the rest of the family, although I cannot for the life of me understand why anyone would not want to come to Canada. There are millions of people who are trying to get into this country.

In my view, this is the method by which the government hopes to keep out large families. Large families are a fact of life in most parts of this planet. I do not think that it is right that one person in a family, who may or may not be trying to come into this country, can keep the others from getting in because of some indiscretion or even misdemeanour.

My second point concerns visitors' visas. The bill does very little to improve the law or administration with respect to the granting of visitors' visas.

• (1820)

At the present time there are many incidents in which Canadians wish to bring members of their family to this country as visitors but are turned down. This happens consistently. The reason they are being turned down is because of situations in which immigration officers believe, rightly or wrongly, that they want to come in on a visitor's visa but they ultimately want to stay in the country.

We are prejudging them, we are giving to them motives which they may or may not have. I believe that we should at least take them at face value. If we find that they are coming into the country and abusing the system then they can be deported. My understanding of deportation is that when they are deported they should not be allowed to enter the country at a later time. That should be one of the items of basic fairness that we must examine and should have to live with.

I would like to address two other small areas and then expand from there.

The first is the residence requirement. The bill provides that conditions can be placed on an immigration visa obliging a person to live and work in a certain community. While the government agreed to amendments in committee which would moderate this situation it is still not acceptable.

Here I am of two minds. On the one hand, I believe that people coming in to Canada should accept, for a short time perhaps, working in certain areas in the country or landing in certain areas of the country. On the other hand, I am a little bit distressed. If we can do that to immigrants coming in then I wonder if we can at some later time also hope to do the same thing to other Canadian citizens.

Personally, I am a little bit reluctant to agree to the residence requirement although I can see that, at least initially, when a person enters the country it should be one thing we at least should consider.

I note here also that the Senate committee proposed a similar amendment. Perhaps more work could be done in that particular area.

In years gone by, with regard to immigration, people who came in from another country would—I do not know if I would use the word indentured, but it would be close to it—be given jobs working on certain farms, for example in the west or the north, or to put it another way in our under-populated areas. While this might seem to be a solution to some of our current problems it could have long-term ramifications for all Canadians. It is for this reason that I am reluctant to whole-heartedly back this particular amendment.

Another area is the refund of immigration fees. Bill C-86 proposes retroactive changes to the processing of immigration applications, including the suspension and cancellation of applications even after they have been moved considerably along the approval process.

In this amendment we say that if an application is cancelled after it had originally been accepted for processing then the fees for application should be refunded to the applicant. That seems fair to me. At the present time there is a fee of $350 for each immigrant application, and that represents a lot of money for people in Third World countries.

I do not denounce this bill completely. There are some things that are still not acceptable. However, with these few added amendments that we made in addition to the ones that have already been accepted—and we put in 65 amendments from this side of the floor—it would perhaps be worthy of our consideration.

A few other reasons that this bill is not acceptable in its present form is that it opens the door to inequity and capriciousness in the selection of immigrants. It suspends traditional legal safeguards, that is to say deportations without hearings and suspension of rights through retroactive provisions. I just do not like that. There is an emphasis on enforcement as opposed to fairness and humanitarian values. It must be noted that over the years we have been known as a very humane society. We have opened our doors and our hearts to immigrants from all lands. That is why Canadians are able to proceed, I hope harmoniously, for the duration of history. Over the years we have not had the racial unrest that has typified many of the other countries of the world. Witness Germany where there is this backlash of, we are told, right-wing neo-Nazis who want to close their doors to the opportunity for people coming in from the Third World.

We do not want that here and I am sure we are able to absorb not only the immigrants who have been coming in, but who will be coming in in the years ahead and we should be able to accept them with open arms.

I have found in my experience that most of these men and women want to come to this country to start a new and better life for themselves and for their children. It is very important for them to at least have their chance.

I do not say we should allow just anyone to come into the country. Yes, there must be criteria. There must be standards, but I think Canadians can learn to live with these standards. Even more than that, we must open up our boundaries to men and women who want to help us build a stronger and better country.

Finally, I feel that too much has been transferred from the law and the House of Commons to the authority of the minister. That leaves the whole process open to abuse. I do not in any way criticize the minister as being dishonest or anything like that. It is just that ministers, like all human beings, are fallible. In their fallibility they are prone many times to overlook other circumstances or people which in some way would reflect on the over-all aspect of Canada which we want seen in the world.

Immigrants have been and continue to be in many ways the backbone of our growth. We need new people to help us as a nation. Our nation over the years has grown because of new ideas which have been brought in. It ill behoves us to make conditions so difficult for immigrants coming in that they would not want to come to our shores, to our cities and to our homes and build a better country.

We are, after all, as has been said many times by my colleagues in this House, a nation of immigrants. We are a large nation geographically with a small population. We are told we can easily accommodate as many as 50 million to 60 million people on the land area that we have.

I think we should be looking in the years ahead to expand our population because quite frankly the world needs us as a representative of what the world could be. This is a nation where people can get along with one another and a nation where people can grow. This is precisely what we have in Canada and what we are offering to all citizens who want to come to our shores.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, I welcome the opportunity to say a few words on an issue that is very close to my heart. Bill C–86 concerns amendments to the Immigration Act.

I stand as a former immigrant to Canada. I must say that when I immigrated in 1956 I was—and I still am—indeed very grateful to Canada for having accepted me as an immigrant. I think this spirit which I try to exemplify in terms of contributing to Canadian life is one that is exhibited by 99.99 per cent of the people who chose Canada and who were accepted by Canada as immigrants.

• (1830)

In fact, immigrants have contributed much to the development of Canada. There is not a sphere of life in Canada that has not been touched by the contributions of immigrants from all corners of the world. I wonder why, in its attempt to amend the Immigration Act, this government seems to have pandered to particularly the Reform Party ideology and philosophy of trying to close the door or make it more difficult for immigrants to come to Canada.

Immigrants have created employment in Canada. They do not take employment away from Canadians. They are vital to the professional life of Canada, to the economic life of Canada and to the cultural life of Canada. This is one of the few countries that in fact has multicultural laws that reflect and stress the importance of immigrants to Canada.

I find it very strange and very difficult to understand why a government would do some of the cruel things it is proposing in the legislation. An example is saying that you can send someone who comes as an immigrant to a part of the country without any kind of time limits and keep them there. In fact, an immigrant can come to Canada and he can bring with him all his dependants, but if there is one dependant left back in the other country, then that particular dependant would have to go through the whole rigmarole of applying, being sponsored or whatever else. We all know from experience in our riding offices the red tape and the rigmarole. As time goes on they could turn 19 and then they would have to re-apply as an independent.

There is the cruelty of refusing a refund to someone who has applied to become an immigrant to Canada after they pay the fee and decide not to go through with it or for some reason they are not passed. They cannot get their $300 or $350 back.

Maybe to the government members $350 is not a lot of money, but from where I come $350 represents a huge amount of money. Where I come from there is an exchange rate where $10 Canadian equals $100 Guyanese. That is $3,500. It is a humungous amount of money. And yet this government is proposing this particular change to the Immigration Act.

Along with my colleagues who served on the committee, we found there was not one group that supported these changes. Look at what happened. The government brought to the committee 70 amendments to a bill that has 100 pages. The government brought 70 changes and then another 11.

Not one group came before the committee. Ask my colleagues who sat on that committee. Not one group gave their okay to these changes. They all made these arguments much more eloquently than I can make them. Yet, this government using polls and tapping in to the xenophobia which we all know exists in the Canadian population, pandering to it and maybe trying to vault itself in the polls in terms of its popularity on the backs of immigrants is totally, totally unacceptable. It is absolutely shameful. It is not in the finest traditions of Canada.

My colleague from Spadina and my colleague for Thunder Bay—Nipigon have made some very thoughtful and fair amendments to try and make the bill more humane. To put a time limit of two years on where a person can be designated on their arrival is very wise. It seems to me that the government should accept that. What is wrong with accepting that? Is there a good reason. I hope the government spokesperson who will respond can give us a good reason and I do not want fluff. I do not want flim-flam and I do not want him to try any jiggery-pokery in this House.

I want to hear specific concrete reasons. I want the government spokesman to respond specifically to the other amendment of my colleague for Thunder Bay—Nipigon, the question of refunding people their money where an application is withdrawn and disallowed. I want to hear why you cannot do that. I want to hear from the minister's representative specific reasons why that amendment cannot be allowed.

I want to hear why the amendment of my colleague from Spadina cannot be allowed, the one where the family comes and brings the dependants but there are one or two dependants left in the other place. Why can they not do the paperwork to bring them at a later date. It could very well be that the dependant may be in school. He has to complete his school year.

Do not put your hands up in a pleading way. I want to hear why that cannot be processed at the same time and not have that dependant at a later date go through the rigmarole and the red tape that we all have to deal with in our riding offices.

Last, I have known through my office the power that is placed in the hands of the immigration officer in the other country where a person applies for a visitor's visa. A family member has died in Canada. It could be a father, a brother, a sister or a mother. What they put that person through. Often times they are denied the visitor's visa. By the time they get to the MP for us to go through the bureaucracy in Ottawa or even to the minister, the person has been buried. In some cases, the culture does not allow the person to be buried until that close relative is there.

Does the government not understand the sensitivity of that? Does this government not understand that? Yet, that immigration officer can simply say: "Well, I have detected in the demeanour when I interviewed the person in the New Delhi office that they do not want to come as a visitor and they might try to stay. They are not a bona fide visitor".

• (1840)

That is an awful lot of power. I think we ought to turn the tables around so that the person applying for the visitor's visa should have the onus placed on the immigration officer to prove. He does not have to prove anything. It leaves open whether it is a bias or prejudice. I do not think that is fair. We need to reverse the onus.

I want to know from the minister's mouthpiece that in fact we are going to get—

Mr. Reid: Order, order.

Mr. Rodriguez: What else can I use?

Mr. Reid: Fine, I am not taking that crap.

Mr. Rodriguez: You do not have to take it. Okay? You do not have to take it, but if you do not have to take it you can leave the room.

Mr. Edwards: That's not the way it works.

Mr. Rodriguez: That may not be the way it works, that is fine. Just tell the people out in the country, those who are going to be affected by this bill. They do not see the niceties of language. They only see the cruelty of these kinds of changes that are made.

I say that this government is pandering. It has the Reform Party banging away at it in the west and I think this is geared to outflank it on the right. That is what these amendments are all about. They have to do with politics and the Conservative Party's unpopularity.

I will be listening very carefully to the responses from the minister's spokesperson when he gets up to respond.

The Acting Speaker (Mr. Paproski): I regret the hon. member's time has expired. I always enjoy listening to him in debate, but I regret his time has expired.

Mr. Edwards: Mr. Speaker, on a point of order. Earlier today I presented the 50th report of the Standing Committee on House Management. It was suspected that it was not totally in order.

I find on checking, Sir, that it was totally in order. Therefore, I would ask permission of the House to revert to the tabling of motions.

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

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): Tabling of report. The hon. member for Sudbury.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, I am quite happy to stand and speak in favour of these amendments to Bill C-86 which makes changes to the Immigration Act.

I am also pleased to be following my colleague from Nickel Belt. I must say that while many times I do not agree with his politics, I do feel that the member for Nickel Belt has added greatly to the culture in our country and to the culture in my riding with his colourful attitude and his very worth-while thoughts from time to time.

I still have a lot of work to do to get him convinced of some of my ways, but I will keep working on that. As you know, my colleague from Nickel Belt did immigrate at some point 20 or 30 years ago. I hate to tell you how old he is, but he is older than I am and that makes it better.

At any rate, I have to say that immigration is, of course, the backbone of our country. While many of us may have forgotten, most of us here if we go back far enough, are descendants of immigrants of one sort or another.

I think it is absolutely essential that we continue the tradition of Canadian immigration, that is, we welcome people from all over the world to come and share this land that we have, to help us build it and to become truly great Canadians as many, many immigrants have become.

I was born in the town of Kirkland Lake. Whether you are aware of it or not, after the Second World War Kirkland Lake, being a mining town, had many jobs at that time and many immigrants came and settled there. We learned many things. We learned hard work. We learned that they valued family greatly, and they certainly appreciated becoming Canadians. It was truly a momentous occasion for them who had had such great trials and tribulations during the war. They contributed to Canada and they have made it a different and I believe much better place.

When I became an adult I moved to Sudbury, another area where very much immigration has taken place over many years. There again you can see a model of what it is like where everyone lives together, works together and builds together, which we have done. There are people from every corner of the earth there. It is a wonderful community to use as an example for others who may not understand the value of immigration and how well it can function.

I look at some of these changes that are being proposed. I want to tell the people of this government about what happens when one of these immigrants who are now Canadians invites a member of his or her family, say from Poland, to come and visit. As you know, for very many years these people have not been able to travel freely and come to Canada. It is only in the last few years that they have had an opportunity to do so and to leave their country.

Many times they go to the Canadian consulate and they are denied a visitor's visa. Often it is because the person who is coming does not really understand the questions that are being asked. They are refused. The families are heart-broken because they would really like to have the opportunity to show the family that was left behind, say in Poland or in one of the eastern bloc countries, what their life has become, and to share with them a little bit over a few weeks some of the bounty that they have.

Many times I have had families from my riding come to see me to see if we can help. I must always explain that one way of getting this visitor's visa is to show that you own your home, that you have a job and a life in your country, and that there is no reason why you would want to stay in Canada, that you really only want to come for a visit.

I think it is especially important nowadays that we become more flexible, not less flexible, when it comes to issuing visitors' visas.

One of the other amendments here would provide that they not assess the whole family based on whether one brother is perhaps not what he should be. In most families there is a black sheep. You do not control everything your brothers and sisters do. A family may be denied the right to come to Canada because that family may have one brother or sister who is not doing things the way they would do them. Why would we judge the whole family by the actions of one? That is very, very serious. I would hope that we are more humane than that. It is very important that we treat people with respect. In that way we will be treated with respect.

One of the other problems with immigration is that often people pay to apply, and for some reason or another the application which was originally accepted is rejected. We have talked about how $350 does not seem like a large amount of money to us, although it is for many Canadians. It is something many people do not have quite at their fingertips. For some of these people it may even represent almost a year's worth, or two or three year's worth of savings.

• (1850)

That application money should be refunded. I think it is only fair that we treat people with some kind of respect. Often the application has been paid for perhaps by a Canadian family wishing to sponsor a relative. They may try again and again to sponsor this relative. To have them spend $350 every time gets to be a little bit expensive, especially if the application is first accepted and then rejected. I would like to see that kind of humanness put into the system.

The other thing is the residence requirement. I am all for encouraging immigrants to spend a certain amount of time in a certain area. I believe that there are times when we would want more people to come and settle in certain areas where there is a high demand for employment and perhaps it is difficult to get people to live there, but not for an extended period of time. It should be no more than two years. Often after two years they will be able to move on.

I am being told that my time is up. I want to say though that I would hope that the members of the government would show some humanness, some kindness and remember that somewhere along the way Canada welcomed us, or welcomed our fathers or our great-great-grandfathers. Basically most of us are immigrants. Let us make sure that we keep on being as humane and compassionate as people were then.

Mr. Ross Reid (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I appreciate the opportunity to speak in this debate. I appreciate the opportunity to respond on behalf of the government. First and foremost, it is essential to say that this legislation ensures that the system we have in place will enable us in the future to bring people into this country who choose to become Canadians and my personal view and my personal hope is that it is in ever increasing numbers.

The second thing is that the system must ensure that those who need our protection from persecution around the world, who have not found refuge elsewhere can find refuge and protection in this country and that our tradition of leading the world in this area will be maintained and continued. It is essential that we have a system which is visible and a system which Canadians have confidence in. I fear that if we lose confidence in this system, Canadians will not tolerate the high numbers of immigrants we have seen in the past seven or eight years and will not tolerate increases in numbers of immigrants in the future.

I would like to comment very briefly on the six or seven points raised in this group of amendments. The first refers to Motion No. 3 which involves the question of accompanying dependants. I think it should be recognized first of all that the premise of the 1976 legislation was that all dependants or all applications for immigrant status were to be handled outside of the country.

The provision here is in fact a large step forward. What we have also done is ensure that visitors, when applying to come to Canada, only get assessed on the people who are coming with them and that refugees get a special consideration as they are considered as family units.

Mr. Blaikie: Mr. Speaker, on a point of order, I am told that the parliamentary secretary to the government House leader just recently came into the House and sought unanimous consent to table the report of the Standing Committee on House Management having to do with striking the committee concerning Bill C-91. I just wanted to register with you, Mr. Speaker, a point of order that we will be raising this tomorrow morning. I wanted to do it as soon after the event as possible

because the parliamentary secretary to the government House leader has indicated that he thinks the Whips have agreed when in fact the Whips have not agreed in the same way that they had all not agreed when he tried to do this earlier in the day. We will be raising it with the Chair tomorrow, Mr. Speaker.

The Acting Speaker (Mr. Paproski): That is fine. The hon. member for Winnipeg—Transcona has put his plea to the Chair. I am sure that will happen tomorrow.

Mr. Reid: Mr. Speaker, I refer to clause 5, which refers to the question of criteria against which visitors' visas may be measured, and at the same time to Motion No. 7 from my friend for Scarborough—Rouge River. There is no question that we have all experienced a great deal of difficulty in dealing with visitors and visitors' visas. I will tell you and it is no surprise to this House that this is a tremendous problem for those held responsible for administering the immigration system and the people who are in the field representing Canada abroad.

I may say that the proposal of the hon. member for Scarborough—Rouge River as an idea and as a policy holds some merit. There are some fundamental flaws in the system, however, which need to be looked at. One of the big difficulties we have is in prescribing criteria like this in a piece of legislation. Courts use that legislation as a strong measurement. If those are prescribed in the act and there is a problem in that the courts are interpreting them either much more strictly than they were intended or too leniently, we run into a problem in terms of fixing them. In fact, perhaps the best place to accomplish this would be in the regulations. As others have done, I caution against the fear that it becomes a capacity-to-pay privilege rather than a protection that is guaranteed by Canadians and those in this country who are prepared to put their resources behind their commitment.

I would like to refer to the question of mobility, Motion No. 70. On the question of the charter applying, first of all it should be recognized that the charter applies to the government, not to the people to whom the government applies the charter. That is more accurate than as has, perhaps, been said before. It may come under charter challenge but I think it is important to recognize exactly what the mobility provisions provide. For those people who might not normally have the opportunity to come to Canada because they would want to come to Montreal, Toronto or Vancouver, if there is employment in place and if there are support mechanisms in place, those people can come and live in the more remote parts of the country.

There were some real concerns raised in the hearings and we have addressed those, particularly as they involve the variance of conditions. We have provided in section 15 not only for the variance of conditions but also that the visa or immigration officer must vary those conditions. I think that is important and it is an important change.

In terms of the time frame, why should we limit it to two years? On the top end citizenship comes in three years. They would disappear. There may be circumstances where we would only want to put the conditions in place for one year. I would argue that two years is far too restrictive.

Very quickly, on the question of a fee, it is not an admission fee to Canada. The fee is a processing fee for the application and it should be recognized that the minister has made it clear and the evidence in the hearings has made it clear that the processing fee for those who have applied and have had their applications denied without any process or because of retroactivity or changes in policy will, in fact, have that fee refunded. There are opportunities in the regulations that would provide to have fees changed or taken into account if necessary.

One minute to conclude, Mr. Speaker, because I know you would like to have the opportunity to put this forward.

I think it is important to recognize that a number of people came before the committee on this legislation with a variety of views, a great deal of them very valid. The government responded as well to the opposition to say that this legislation is cruel and ridiculous. To say that nobody came forward in support of it is inaccurate and unfair. If one looks at the evidence, the United Nations High Commissioner for Refugees, the IRB and the Senate report, the government has addressed a number of those considerations. I would remind my friend opposite that in fact one of the groups that came forward, in fact one of the least fettered sources of support, was the union that represents the workers of Employment and Immigration Canada.

• (1900)

The Acting Speaker (Mr. Paproski): I am going to put the question. Is there unanimous consent for me to put the question on this grouping?

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): Motions Nos. 3, 5, 70 and 74 standing in the name of the hon. member for Thunder Bay—Nipigon, Motion No. 6 standing in the name of the hon. member for Scarborough—Rouge River, and Motion No. 7 standing in the name of the hon. member for Trinity—Spadina were grouped for debate and will be voted upon separately.

Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Paproski): The first question is on Motion No. 3. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The 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 stands deferred.

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.

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 76(8) the recorded division on the motion stands deferred.

The next question is on Motion No. 6. 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 motions stands deferred.

The next question is on Motion No. 7. 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 motions stands deferred.

The next question is on Motion No. 70. 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.

And more than five members having risen:

Some hon. members: Nay.

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

The Acting Speaker (Mr. Parproski): Pursuant to Standing Order 76(8) the recorded division on the motions stands deferred.

The next question is on Motion No. 74. 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 haviing risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 76(8) the recorded division on the motion stands deferred.

It being 7.05 p.m., pursuant to Standing Order 30(6) the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

CROSS-BORDER SHOPPING

EXPORT AND IMPORT PERMITS

The House resumed consideration of the motion of Mr. Brightwell (p. 10609).

Mr. Benno Friesen (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, my constituency deserves more respect than that, sir.

I take pleasure in rising to speak on this motion introduced by my colleague and friend, the member for Perth—Wellington—Waterloo. The subject is really about cross-border shopping and the impact that has had particularly on the food-producing community and especially the farm and poultry community in Canada.

I have learned through the years that whenever one introduces an issue like this, there is an equal and opposite reaction to that motion somewhere else. There is not a thing we do in this House that does not affect another part of the community. In this case we are talking about the food producers of our land and they are, I guess, pitted so often against the consumer. It is unwitting and certainly not because producers want it that way. The consumer, however, wants low food prices and the producer wants to have cost recovery and some profit. This is understandable.

It has always been a mystery to me that those of us who are consumers feel free to organize in labour or trade unions. We feel that the employer is entitled to organize into employer groups and protect the business. The unions protect the interests of the workers so that they can have higher wages and better working conditions and the employer wants to protect his business so he can ensure his profits.

However, the consumer groups, when they band together, complain about marketing boards or supply management. I have never been able to understand why it was okay for the consumer groups to organize to protect themselves and protect their livelihood and act as though that does not increase the cost for the other people. That is, if the auto workers get a better wage it does not increase the price of cars, does it? They feel that they are entitled to that, but when farmers band together and form supply management systems and regimes to make sure that they get a return on their investment and maybe some profit, that somehow is scandalized by the consumer community. They think that is unfair.

I do not think it is unfair. I am not saying that I always agree with everything that the supply management system does, but I think that they are entitled to organize just as much as any other group is entitled to organize.

As I said, we are pitting the producer against the consumer in this issue unfortunately. It shows itself most vividly in cross-border shopping because everybody is looking for cheaper prices. They will willingly go into the United States where dairy products are subsidized many times up to the tune of 50 per cent and where the

American taxpayer is helping to subsidize those farm products. We do not mind that, but we are saying that it is okay to go there and buy those products and ding the Canadian farmer out of his business.

I can tell you that in the Fraser Valley of British Columbia the estimate is $50 million to $60 million lost by the farmers of British Columbia every year from milk being brought in in the trunks of cars across the border. I understand why the consumer, with the squeeze on the cost of food nowadays, wants those cheaper prices, but how many dairy farmers have been driven out of business because of milk, eggs or chickens being brought across the border in the trunks of cars?

On the one hand we want to protect the Canadian farms because if we blacktop all of them, the prices will surely go up in the United States and they will have us entrapped.

• (1910)

The government on the other hand is trying to make it easy for the consumer by making transit across the border easy. This is something which every consumer should be able to enjoy. I agree with that. My own riding has the busiest border-crossing point west of Windsor and we have done a lot. The Minister of National Revenue has done a lot. He has opened special lanes for tourists. There is a pace lane at Douglas. He has increased the resources and the staff, introduced new technology, streamlined the enforcement procedures and instituted automatic cash machines providing gains of 70 per cent. The list goes on and on. Incidentally, he also improved the plants and the offices so that the mayor of Abbotsford, George Ferguson, has said that upgrading that border crossing at Sumas is encouraging Americans to come through at California, Oregon and Washington. On the one hand we want those people coming and spending their dollars. On the other hand, at the same time, we are saying we want ease for Canadians to go shopping in the United States.

They should also be aware of what that does to the Canadian producer. My colleague has introduced a motion which has called for a 48-hour delay in poultry and dairy products being brought into Canada. If Canadian consumers go down into the United States and buy dairy products there would be a 48-hour delay in bringing them into Canada by changing the permit system for importing them.

That complicates it even more for the government I hasten to say because if you have a 48-hour delay, the consumer cannot stay there and wait for the 48 hours. That means storage facilities. It becomes a terribly complex problem. Incidentally, I have not even mentioned the impact this has on the merchants in Canada for those who are at the border who experience a loss of business because of the cross-border shopping.

We want, on the one hand, to protect the rights of Canadians for free and easy access across the border. That ought to be. We believe in free trade. We want them to be able to move across the border at ease. We should also be aware of the impact that has on the commercial side, the merchants in Canada, and certainly on the food producer side.

My colleague has introduced this motion in representing a farming community. He is trying to do his part to make sure that the interests of the farming groups are protected by the system, but at the same time he recognizes that it is much more complex than that.

There have been discussions regarding the means to implement this procedure and it is not a simple yes or no vote in the House that will solve the problem because it means incredibly costly expenditures to bring about the procedures at the border that would allow us to implement this particular motion if we were going to do it. At the same time we want to do something tangible that will protect the farmers.

What are we going to do? As I said at the outset of my remarks, we want to protect the farmers, we want to protect the consumers, we want to protect the merchants and we are caught in that squeeze. Four hours of debate does not really elevate the intricacies of the issue to the degree that we need.

We have agreed that there should be a much more intense study of the problem and that we should be able to bring people into a discussion on this so we can hear from experts in the farming and commercial communities, from Revenue Canada officials and be able to define even more accurately what the issues are and how we can solve them.

My colleague has written a statement I would like to read and put on the record. The member for Perth—Wellington—Waterloo has said: "Therefore I am pleased that the government has assured me that the subject matter of this motion will become a topic of a special committee study regardless of the outcome of the vote. I have also been assured that such a committee could continue through any prorogation if a House order is obtained".

I believe we have now concluded three hours of debate. Obviously there is much more that could be said about this subject. The farming community must be protected. The customs system must be able to operate at the border. We have to reduce the cost of enforcement at the border as we have been trying to do. We have to make it as efficient as possible at the border.

We have agreed that regardless of the vote tonight, there will be a special committee established, which has been lobbied for by the member from Perth, to make certain that all of the relevant issues are brought to the surface so we can come to a thorough understanding conclusion of this matter and we can do something tangible for the farmers of our country.

Mr. Jim Jordan (Leeds—Grenville): Mr. Speaker, it is a pleasure to support my colleague from Perth—Wellington—Waterloo who moved this motion. As the previous speaker started his speech, I too support marketing boards and the organized marketing procedures we use in Canada, which work well. Our party supports marketing boards.

I think this private member's motion supports, perhaps in an indirect fashion, marketing boards. I will just speak about dairy in this case, although his motion goes a little further than that, it goes into poultry too.

Marketing boards are responsible for giving us a superior product in the dairy industry. It is always in good supply, the highest quality at a fair price. Even if we take inflated dollars into account, the price of food in this country is still a fair price compared to other countries. In some instances, compared over the last few years, there may be even a decline in the price of food, which tells me something is working and there is some stability where marketing boards are involved.

I get a little nervous sometimes when we are told that once again GATT is down to the final hours. Those are the big players. There are 108 countries involved. Canada is not a big player in that GATT deal, but we certainly could be affected by it.

Our party has been consistent. We will protect marketing boards. The domestic market in this country is not up for grabs. That has been established. No Canadian wants Canada to become the dumping ground of the world for cheap dairy and poultry products. That is what marketing boards are endeavouring to protect. I do not think any Canadian would want to see a change from what it is right now where we have the best product that can be produced at a fair price.

I live in a border community. I know the consequences to to my part of the country of cross-border shopping. This item my colleague has brought forward in his private member's motion is one of the main culprits. Cross-border shopping has had a devastating effect on some small border communities. We put out some ideas periodically in the House as to what we think would correct this problem, but nothing has been done of any substantive nature.

The most recent article I have read is in one of Toronto's papers yesterday. It stated: "Same-day trips to the U.S. are on the rise". Anyone who thought that we had snuffed out cross-border shopping had better look at the facts.

The difficulty with the importing of dairy and poultry products under this general import permit is that people can bring in $20 worth of product as often as they like. They could conceivably go back and forth across the bridge several times a day, each time bringing back $20 worth of product. If a person is accompanied by his neighbour, he is entitled to bring $20 worth too. That would be $40 worth of milk for example. Forty dollars worth of milk is a lot of milk. He is supposed to be bringing it over for his own personal use. Sometimes I wonder.

The fact is he would pay duty on that, I suppose, if he wanted to go strictly by the law, but 10 per cent duty on dairy products would amount to about $2. It is customary at customs to waive anything in the neighbourhood of $2 or a little less or a little more. There is no incentive not to keep bringing the product across as many times as you

like. This is having a very serious impact on the dairy and poultry industries in this country. Higher amounts occasionally are waived. Sometimes they do not stick to just $2. If they happen to be busy in customs, you can imagine what happens, they wave you on and you can have much more than $20 worth.

• (1920)

There is nothing to prevent an importer, somebody who is bringing it across, from going back and forth as many times as he likes. There is nothing wrong with that except it has a bad effect on the controlled marketing system that we have in this country. We think this marketing system is one of the best, and we think it should be protected.

Statistics will show, and they are there for the reading, that this has caused serious problems with the producers, the processors and the retailers. We are not talking about a few thousand dollars. We are talking about several million dollars annually being lost because people can run back and forth bringing back $20 worth each time.

This proposal that my colleague is presenting has the support and indeed, I think it originated with the dairy farmers of Canada who have made a study of this problem. They would like to see the general import permit changed in about three or four areas. The dairy industry happens to be permit number one, and it would like to have it changed, as my colleague has mentioned, so that a person would have to stay in the United States for a period of 48 hours, after which time he would be entitled to bring across $20 worth. That would not correct it totally. We would have some problems with it still, but it would make a great start. We want to cause a slowdown in this flood of milk that is coming across the border and turn it into a trickle. That is all my colleague across the way is trying to do, he is trying to institute an amendment that could be put in place.

Apparently this matter has been studied and Canada has the authority. There is nothing wrong with putting this amendment in place. It would conform with any rules that we have regarding free trade or any rules that we have regarding GATT. Therefore, I think it deserves support. I would like to see us support it. Our party will support it.

The dairy farmers of Canada need our support right now. We are supporting their marketing system. We would like to see it enhanced, of course, and we would like to see some clarification at GATT of article XI but those things will happen. It would be a good start if we could get this much done.

This could be done without causing great hardship. It is not intended to cause great hardship to anybody. If the rules were applied fairly, I suppose most people would bring $20 worth of product across once in a while and use it. That was the intention, but that was before there was a lot of running back and forth cross-border shopping. When this measure was put in place, perhaps there was not any particular advantage to going across and bringing back dairy or poultry products. That is not the case today.

My colleague is just trying to bring the rules up to date a bit. Circumstances are different out there today and I think that is what his amendment would do, change the rules in three or four areas. He speaks of poultry and dairy products and they are under four categories as far as the rules go.

I am pleased on behalf of our party—there may be other speakers too—to support his endeavours. I hope that something will be done. As I say, it would not be a great hardship to anybody. It is not as if it is very severe. We are just proposing that a stay in the States be for 48 hours before bringing across some dairy and poultry products. There would be no harm done. It would help stem the flow which dairy farmers tell us is having a severe impact on their industry.

It is a pleasure for me, personally, to support my colleague's private member's motion and I know I speak on behalf of my party.

[*Translation*]

Mr. Louis Plamondon (Richelieu): Mr. Speaker, I would like to add my comments on this motion and emphasize that we in the Bloc Quebecois thoroughly agree with what it proposes to do. The mover of the motion deserves our congratulations. It is like a breath of fresh air to see a Tory member mindful of the concerns of his constituents and those of Quebecers and Canadians in general.

The mandatory 48-hour stay will definitely help small producers who are often located along the border and even those who are further away, now that changing consumer habits are becoming a threat, both in Canada and Quebec. The mandatory 48-hour stay will certainly help our farmers who, as you know, live with a lot of uncertainty and are often very worried about the outcome of the GATT talks.

As my learned colleague said before, there is a direct connection with our marketing board system. Our new marketing boards have been instrumental in maintaining prices and ensuring security of supply. As far as quality is concerned, if we compare what is produced in this country, in Quebec or the rest of Canada, product quality is quite superior, when we look at what is on supermarket shelves, because of better quality control. And since we use our marketing boards to regulate Canadian or Quebec consumption, we have a duty to protect those marketing boards, as the hon. member said. This motion reflects the need to listen to what our farmers have to say, especially in connection with the GATT talks which, as I said earlier, are a matter of great concern to our farmers.

This proposal is acceptable, it does not violate existing treaties and it is legally votable. It seems to me we have a duty to support an idea that is as brilliant as it is practical. We often tend to go on at length about agriculture in the abstract, but listening to our farmers also means actively responding, with actions like this one, to their needs and expectations. I think Motion M-633 should be considered by our government, and I think the mover and the seconder of the motion fully deserve our congratulations. All parties here in the House should support this motion which, although modest in scale, will help our agricultural industry.

I think this motion should also be seen by the government as an example of how it could be more attuned, as was one of its members, to the needs of Canadians and above all how to introduce practical measures that could be immediately effective in supporting our agricultural industry, our dairy producers, our egg producers, our turkey producers, and also ensure that unfortunate consumer habits that are spreading in this country and affecting dairy products and products in the areas I just mentioned will stop and that consumers will stop and think about the product quality we have right here. To maintain that quality we must buy these products, which are often the same price and even better quality, and ensure the survival of our agriculture with practical measures like this one.

The Bloc Quebecois takes great pleasure in supporting the motion before the House, which is being debated for the last time today, and it will vote in favour of the motion.

[*English*]

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, I am pleased to rise tonight to support the motion of the member for Perth—Wellington—Waterloo. It is time indeed that we take action on some of these issues that dramatically impact on the farmers of Canada, particularly those farmers of Canada who are not contributing to surpluses on the world markets.

This situation in which food is being brought in through cross-border shopping seriously undermines some of the most sophisticated marketing systems of any country in the world. Not only do we have those marketing systems but the food being sold under those marketing systems is also the highest quality of any country in the world, as a result of the inspection services we have here in Canada through Agriculture Canada, their inspectors and our own officials. The producers themselves are to be commended for the quality of food they produce. If people are paying less for food in the United States I can well understand why when I look at the differences in food quality between Canada and the United States.

• (1930)

These products being brought in are produced in an entirely different cost environment. I continue to keep tabs on the differences in costs between those of a dairy farmer in my own constituency and that of a county in Michigan, St. Clair County. Time and time again we have found that there is about a 25 per cent difference in the cost structure. This is a cost difference that our producers in Canada are powerless to do anything about.

Consequently, if we are going to have a viable industry in Canada a degree of protection must be provided. I believe this motion would go a long way toward providing it.

However, I do not accept the suggestion that this would be too difficult for the Minister for International Trade or the Minister of National Revenue to monitor. I can remember going across the border for years. If a person was there for more than 48 hours they were able to bring things back duty free. That was not difficult to monitor and this proposal would not be very difficult either. In fact, if we wanted to take a quart of milk into the U.S. I wonder how far we would get with it.

In view of the losses being incurred by the dairy farmers, particularly in the lower valley of British Columbia, in Ontario, in Quebec and in Atlantic Canada, this motion is long overdue. I hope it will be sent to committee tonight, be brought out very quickly and implemented as soon as possible so that the hurts and the cutbacks that are taking place in our industry at the present time do not have to continue.

Another thing we have to examine, and I have spoken about this quite a bit lately, is the current account deficit here in Canada. The Minister for International Trade loves to brag about the merchandise trade surplus but he does not say a word about the current account deficit. This money being spent outside of Canada is cash flowing out of Canada. Of course, that is part of the current account deficit. For every $20 billion in current account deficit we lose about 500,000 jobs in Canada. These are not my own figures, these are figures from prominent economists who have been studying this for quite some time.

This move alone would help get the government off the hook in terms of its current account deficit and what is happening to Canada because of it.

I also want to point out that here in Canada—I will go back to the year 1990 because that is the last year for which complete figures are available. We must look at the fact that it was about three years ago that the Minister of Agriculture started to talk not about the net farm income but the net family farm income in this House.

He pointed out that the average Canadian family farm income was almost $37,000, but out of that $37,000, $21,250 came from income earned either by the spouse or by the farmer himself working off the farm in some other industry to help supplement the farm income. That left a balance of about $15,500 in income from the farm itself. However, out of that figure $8,091 came from subsidies, either federal or provincial, leaving a net figure of about $7,400 from the farm operation itself.

Let me assure this House that the dairy farmers of Canada do not receive any subsidy at all for the fluid milk they produce. The only subsidy they receive is approximately $267 million for the industrial milk they produce, which is in turn made into cheese or skim milk powders and so on. This motion is really protecting the very viable industry which we have here in Canada including the poultry industry.

That average Canadian family farm income, and the net from the farm production alone of roughly $7,400, is a national disgrace. However, due to the marketing systems we have here the dairy farmers are not in that category. The dairy and poultry farmers are paying their way and they do not need any subsidy to do so. Look at their buildings and compare them with those of the dairy farmers of the United States and look at the poultry buildings here in Canada and make comparisons. It is an entirely different environment. For the good of all Canadians we should make sure that this motion passes as quickly as possible when it comes out of committee.

Another matter I want to touch upon and about which I am very concerned is health inspection in some of these institutions south of the border. We can look back at the deregulation that took place in the United States. It is on the books here. A deregulation of some of the regulations in Agriculture Canada was proposed last Friday by the Minister of Agriculture.

I am very concerned about it because we have the highest quality standards of any country in the world. When I look at some of the news media reports of what is happening in southern United States, and I will use the *Atlanta Constitutional–Journal* which did an ongoing study into health conditions in some of the poultry slaughtering plants in the United States, they indicate that conditions are absolutely deplorable.

Last Saturday night I was speaking in Bruce County to the Federation of Agriculture about this subject. One man in the audience rose and said: "You are exactly right. I am an inspector. I see truckloads of poultry coming into Canada from southern United States. In no way would it be allowed through a Canadian poultry processing plant".

There was a documentary on *Prime Time Live* last April 30 on the beef packing industry. We saw the conditions there. They would never be permitted in Canada. That would never be allowed to take place in Canada, under such deplorable conditions.

This bill not only protects the Canadian farmer but it protects the health of the Canadian consumer. Nobody is going to bring back some milk that is two days old or some chicken that is two or three days old, even though it could be sold over there. In this context, if we intend to keep control of the agricultural industry in Canada, if we intend to have our producers prosper, like any business they need a return on investment, management and risk.

As I look at the concentration in the agricultural industry in the United States at the present time, for example four firms control 45 per cent of the poultry produced and processed in the United States and four firms control 69 per cent of the beef produced and processed in the United States. We do not want to go that way. We must protect the Canadian family farm. It is the most viable institution we have for food production in the world. We have the highest quality food in any country in the world at a very reasonable price.

If food prices are too high here then I suggest to this House that we should look at the returns, the five-year average rate of returns of the Canadian dairy producers, which will range somewhere between 8 per cent and 10 per cent. We should compare that to other sectors of the food system, particularly the food distribution system with an average range of return of 17.2 per cent. It is not the farmers who are causing high prices.

I suggest this motion should be passed and sent on to committee immediately.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, I am delighted to have this opportunity to stand and speak in favour of the motion brought before this House by the hon. member from Waterloo.

It is not often I get a chance to agree with a member on the government side on an initiative and I am pleased to be able to do it on this particular one. The motion calls for an amendment to the Export and Import Permits Act to provide that importations under the authority of import permits, namely pertaining to dairy products, to chicken, turkeys and eggs, shall be subject to a mandatory 48-hour stay of the importer.

In other words, if Canadians go across the border to Washington to purchase these goods, they would have to stay for a 48-hour period in order to bring them back essentially duty free.

This motion goes some way toward resolving the problem. It will not eliminate the problem altogether. I am speaking from the perspective of a member from British Columbia. I might add that I have some 87 dairy producers in my riding of Okanagan—Shuswap as well as a large number of poultry producers and egg producers. Many Canadians are doing this but I make reference in particular to British Columbians who are going across the border for same-day visits to purchase commodities such as cheaper gas, dairy products and poultry products south of the border. This has really caused a significant economic haemorrhaging from the economy of not only British Columbia but Canada as a whole.

• (1940)

Certainly one cannot blame people for trying to find the best deal possible. Every family has a budget to meet and a financial expectation to live up to. They are looking obviously for the best deal they can find. That has been made somewhat more difficult I might add the fact that these goods have been subjected to different taxation rates in terms of production and whatnot through the goods and services tax and different classes of production. We simply have to recognize that British Columbian farmers and Canadian farmers face higher costs of production than farmers who have different economic circumstances south of the border. There is a price difference between these commodities. A person cannot blame someone for trying to save a buck.

People do not think all the time about the economic consequences of moving that dollar south of the border and the kind of economic haemorrhaging that it causes our economy. When Canadians or British Columbians shop south of the border they are exporting jobs. That has hurt British Columbia. I would submit that it has had a fairly dramatic impact on the viability of our agricultural sector in British Columbia. I do not have the particular figures at my fingertips right now, but I know that there has been a significant loss in the millions of dollars in terms of losses to the agricultural industry.

What happens of course is that as people purchase products outside the country, the consumption of B.C. or Canadian dairy products goes down accordingly. Therefore, the quotas that are assessed the dairy farmer or the chicken producer or the egg producer are reduced accordingly. It is not only for farmers close to the border, but for farmers all over British Columbia. It affects the entire industry. That has had a fairly dramatic impact.

I do think that this particular amendment will have a modifying effect on the purchase of these particular goods outside of the province. I would suggest it would have a fairly significant impact on the viability of those industries and small farms in my riding of Okanagan—Shuswap, in ridings in the lower mainland, in the Fraser Valley and in the southern part of Vancouver Island.

Our economy in British Columbia is probably in better shape than in other parts of Canada, but there is no question that every time we lose a dollar to producers south of the border, we are essentially losing jobs. We are also losing tax revenues for both the provincial government and the federal government.

While we recognize, as I mentioned before, that consumers of course have every right to look for the best deal possible, I would hope that Canadians also recognize the importance of buying these products in Canada to support Canadian industries and to support the entire infrastructure. This has been put together to ensure that not only do consumers get fair prices but that the primary producers—the farmers and agriculturalists in Canada—have an opportunity to make a fair return on their investment.

It is a tough, tough business out there. Farming, agriculture and the return on investment is very low indeed. I think this government owes a responsibility to our Canadian farmers to do everything that it can to assist that industry to ensure that it remains viable and healthy in Canada.

I take pleasure in rising to support this particular motion and I congratulate the hon. member from Waterloo for having the courage—because, of course, there is going to be some criticism of this motion—to recognize the problem and the courage to attempt to make an honourable approach to resolving this particular issue.

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

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members Nay.

The Acting Speaker (Mr. Paproski): I declare the motion carried on division.

Motion agreed to.

[*Translation*]

The Acting Speaker (Mr. Paproski): It being eight o'clock, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

The House adjourned at 7.46 p.m.

HOUSE OF COMMONS

Thursday, November 19, 1992

The House met at 10 a.m.

Prayers

[*English*]

POINT OF ORDER

REPORT OF STANDING COMMITTEE ON HOUSE MANAGEMENT

Mr. Speaker: The hon. member for Kamloops is rising on a point of order. I may know what it is. Ordinarily we would deal with it at the very end of Routine Proceedings and I am prepared, of course, to do that.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I appreciate there is a reason to present this point of order now as opposed to at the end of Routine Proceedings because of a meeting that is scheduled for 11 a.m.

Late yesterday the parliamentary secretary to the government House leader rose in the House and asked for unanimous consent to table the 50th report of the House management committee. One would then assume that if there was going to be a report from the committee that the committee would have met to have a report.

I want to say there is actually one way around this. The practice of the House has been for some time now that when striking the membership of committees, if there was unanimous consent by the Whips, that authority was given to the Whips to agree that the report could be tabled without going to the management committee.

However, yesterday when my friend the parliamentary secretary to the government House leader introduced the tabling initiative I indicated at that time that we had not agreed to the membership of the committee and therefore the request was withdrawn.

Later in the day the same initiative was taken when the parliamentary secretary asked again that the report be tabled. The Whips did not agree. The only way then that that could proceed would be for the House management committee to meet, agree on the membership of the committee, and then the parliamentary secretary or the chair of the committee could ask that the report be tabled. That was not done.

In other words, in one of life's many mysteries, we would table the report of a committee which never met and I do not know how that could be done.

I think we have to watch this practice because if the parliamentary secretary was presenting a report that did not reflect the decision of the committee we are getting into very dangerous territory.

• (1010)

I would ask that you give some thought toward considering the 50th report of the Standing Committee on House Management not receivable at least until the committee has had a chance to meet and decide upon the report.

Mr. Edwards: Mr. Speaker, the Whip for the New Democratic Party was seeking the floor. Perhaps it would be better to hear what he has to say before I respond, if that is all right.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, yesterday I received a call when I was in a committee from the House leader's office indicating that the government had risen to present a report of the striking committee for Bill C-91.

I had submitted the name of our caucus member who was to be our representative on that committee, but it was not until I saw the *Votes and Proceedings* today that I saw the names of other members who are being appointed to that committee. There was no consultation with me as Whip of the New Democratic Party as to the composition of that committee. There was no meeting.

In fact after the telephone call and after the parliamentary secretary for the government House leader

withdrew the report of the House management committee, I spoke directly to him in the House. I advised him that I did not agree with the tabling of the report and I further advised him of the need to call a meeting of the House management committee.

When the House management committee established the procedure to provide the Whips with the ability to present reports directly to the House if a unanimous decision was made, it was done to expedite the mechanics of operating the House of Commons. It was not designed in any way to provide an opportunity for the government to do what it felt was appropriate without ensuring that it had the support of the other two Whips.

I ask that you consider this matter and as my House leader has suggested, set aside the 50th report. In addition to that, the organizational meeting of Bill C–91 has been called for eleven o'clock this morning, the same time the House management committee has been called to meet. I ask that you find a way in which to suspend the organizational meeting of the Bill C–91 committee until such time as the House management committee has been able to receive the recommendation of the membership of that committee and determine whether that is an appropriate group of individuals to be on that committee.

Mr. Edwards: Mr. Speaker, I understand that the Liberal Whip wishes to be heard.

Mr. Alfonso Gagliano (Saint–Léonard): Mr. Speaker, I also want to say on this matter that it was only yesterday during Question Period that I submitted the names of the Official Opposition members to the committee clerk and I did not have any consultation with the other two Whips. I do not even know who the other members are. I was surprised when I saw on my office television that the striking report was being deposited unanimously.

Usually, even though we hardly ever oppose the chosen names, there is a minimum consultation and discussion so that we can strike a committee. Those are the facts I would like to present to you on this matter.

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, now that no one else is rising to speak I will now endeavour to state my understanding of the circumstances.

During Routine Proceedings yesterday afternoon I did indeed table the 50th report of the Standing Committee on House Management which contained names of members from all three parties to become members of the legislative committee on Bill C–91.

This I did as a result of information that was conveyed to me during the course of Question Period that there had been the appropriate consultation among the Whips and that there had never been any difficulty from the perspective of the New Democratic Party. There had been some last minute discussions with the Liberal Party. However, I got the message that those discussions were now concluded and it was appropriate to table the report, which I then proceeded to do.

There was an intervention from the House leader of the New Democratic Party who said that the report was not in order from the perspective of his party. I subsequently had a private discussion with him in which I understood that the name of his representative had been submitted by the Whip and that it appeared to be in order. I then made some further inquiries and came to the conclusion that all was in order, that the report was properly constituted and that there had been a thorough discussion among the three Whips.

Then last evening I sought unanimous consent of the House to revert to Routine Proceedings for the purpose of receiving the motion. That consent was given by the House and I deposited the report, having earlier in the day of course deferred to the word of my friend, the hon. member of the New Democratic Party, having received earlier unanimous consent to withdraw the first deposition.

I think it is important the House understand that the practice is that the Whips never see the names submitted by the other parties. It has been standard practice since April that the Whips do not consult as a group. The report was submitted on behalf of the House management committee as the appropriate vehicle for channeling the names submitted by the Whips.

I would submit, Sir, that the report was properly deposited, that the committee is now properly constituted and ought to begin its work.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, this is indeed an unusual incident. I say unusual for these reasons.

Yesterday, my colleague, the House leader for the New Democratic Party and deputy leader, spoke. We have heard him again today and we have heard the Whip for the New Democratic Party. They indicated yesterday very clearly that there were some difficulties surrounding this particular issue as to the unanimous report of the striking committee.

Having said that, I think the signal was clear, the direction was clear that if one were to proceed in a positive manner obviously there would have to be meaningful consultations which would have to take place thereafter. This is the direction that the management committee has given the striking committee. That is the way it operates.

We have heard again this morning from my colleagues, the House leader of the NDP and the Whip from the Official Opposition, that those consultations did not take place. I think the parliamentary secretary is right when he says that names were given by the respective parties, but the second part of the equation in terms of consultations did not take place.

Also, in this particular incident, I do not believe the Whip from the Official Opposition signed the report normally provided by the clerk. I think he did in fact send a letter indicating the names. If one wishes to interpret that as being a form of consultation, I do not think one would be accurate.

I think that is a very clear statement of the facts. The signal was given yesterday. There have not been consultations. It has not been unanimous and I am sure that with some goodwill on the part of the parliamentary secretary to the government House leader that this report ought not to proceed as tabled yesterday.

One might ask: "How come unanimous consent was given last evening?" That in itself is quite an oddity in view of what the deputy leader and the House leader for the New Democratic Party said yesterday. He was not in the House, the Whip of that party was not in the House, the House leader of the Liberals was not here nor the Whip. I am not trying to impute motive but I suggest that this is an unusual occurrence and I would hope that the parliamentary secretary will relent in his persistence of pursuing with this report in view of the facts and the signals which have been exchanged by the respective parties.

Point of Order

• (1020)

Mr. Riis: Mr. Speaker, I think I have identified where the problem is. In listening carefully to the words of my hon. friend, the parliamentary secretary to the government House leader, he indicated that the respective Whips had submitted the names of the representatives of the parties for the committee.

The House management committee has empowered the Whips to report directly to the House when there is unanimous agreement among them on the membership of the committee. In other words, in those many cases where there was agreement among the Whips that the composition—

Mr. Speaker: Just a moment, please. The hon. member for Kamloops made a reference. Is the hon. member reading from the motion of the committee passed some time ago with respect to the unanimous consent?

Mr. Riis: Mr. Speaker, I am paraphrasing what the agreement was, and that was that where there is agreement among the Whips on the membership of the committee—that does not mean having submitted a name, but on the membership of the committee—it proceeds automatically to the House and not necessarily through the House management committee process.

The point that we are making this morning is that the membership was not agreed upon by the Whips. Normally it is, but this is one case where it was not. Names were submitted but there was no indication from the Whip of the New Democratic Party—I cannot speak for the Whip of the Liberal Party—that they had agreed to the membership of this important committee. That is the point.

While I respect the views of my hon. friend that, yes, we did submit a name, I want to simply make the case that the composition of the committee was not agreed upon by the Whips, which therefore makes it now necessary to go back to the management committee to receive its report.

Mr. Rod Murphy (Churchill): Mr. Speaker, just to support the position made by our House leader and the Whip of the New Democratic Party, I know that we are not supposed to look into the internal operations of a committee, but there was no committee meeting to authorize this report. The parliamentary secretary for the government House leader says, well, the Whips agreed. It is evident that the Whips did not agree. In

communications directly with him and with each other, they did not agree on the composition of this committee.

This committee is, therefore, not struck. The House management committee did not meet. Therefore, the House management committee cannot report to this House. It does not have any authorization whatsoever to make a report when the committee itself did not meet.

The only exception to that is if the three Whips unanimously agree on the composition of a committee. Then they can authorize the chair of the House management committee to report to the House. They did not do that.

The only remedy the government had at that time, when the three Whips did not agree unanimously, was to call a meeting of the full committee, where I suspect using their majority they would have got their way. But they rushed that process. We know that they are very intent on getting the changes to the Patent Act through the House, but to skip the necessary requirement of having a full House management committee when they knew that there was a dispute among the Whips is unacceptable.

I think it is very important, Mr. Speaker, that not only do you not allow this report to be received and acted upon, but that instructions be issued for that committee not to start its work in one half hour's time.

Mr. Speaker: Before we go any further, perhaps hon. members could assist me on facts. It has been asserted, I am sure with complete bona fides, that a committee meeting has been called for eleven o'clock this morning. Now I am told that maybe that assertion is in error. Can hon. members assist the Chair on this?

Mr. Edwards: Mr. Speaker, there are two committee meetings called for eleven o'clock this morning. My understanding is that there is a meeting of the legislative committee on Bill C–91 called for eleven o'clock this morning. There is also a meeting of the House management committee called for eleven o'clock this morning, of course in separate rooms.

Mr. Speaker: I ask the hon. parliamentary secretary to continue with his comments.

Mr. Edwards: Mr. Speaker, I will try to be as brief as possible because I truly believe that this debate belongs in the House management committee rather than on the floor of the House, but it is here and we must deal with it here.

On April 29, 1992 the House of Commons concurred in the 28th report of the House management committee and this report dealt with standing order changes regarding legislative committees.

On May 7, 1992 the House management committee passed a report which stated: "That further to the motion adopted by the committee on June 18, 1991, the subcommittee composed of the three Whips be delegated all authority to act as striking committee pursuant to Standing Order 113, and provided that the report recommendations are unanimous it present them directly to the chairman of the committee for presentation to the House on behalf of the committee".

This allowed the striking committee to bypass the House management committee in order to table reports on the membership of legislative committees. The clerks of the House management committee needed to put in place a process whereby they could get consent on membership from the Whips and get the reports into the House.

Up until this point the Whips were able to do the same thing by submitting the names of the members from their own caucus to the clerks who would put together a list. The list would then be circulated among the Whips for their signature and then returned to the clerks. The clerks then put together a report for the chair to table.

This was thought to be a rather cumbersome process and so after the above motion was passed the clerks consulted with the Whips and decided on a new process. Again, briefly, it goes like this. The Whips submit the name of the member to sit on the committee along with the Whips' initials. The clerks can immediately put together a report for the chair of the House management committee to table.

Problems arose with this as well. The office of the New Democratic Party Whip regularly sent over names of members without the initials of the hon. New Democratic Party Whip. The clerks would send the notice back and ask for the initials. Sometimes this would take a few days. The clerks began to submit reports without the New Democratic Party Whip's initials.

At least three cases are on file with the clerks' office in which the hon. New Democratic Party Whip did not initial his submission. The reports were tabled and deemed adopted without incident. Those reports were: the 40th report, Bill C-73; the 46th report, Bill C-79; and another report which number I do not have but it was with reference to Bill C-78.

Table clerks have told us and it is my judgment that if the committee chair feels that the committee report is in order and he or someone on his behalf tables the report it then is in order.

If the opposition raises a point of order on the matter I believe the Chair should not entertain arguments because as far as I am concerned the committee report is before the House. If the Whips are unhappy with that, I submit is a committee problem and must be dealt with within the committee.

I did have an opportunity to consult with the chair of the House management committee yesterday evening and he confirms the facts as I have outlined them. I regret that he is out of the city today and not able to be in the House, but I can assure the House that the view as I have outlined it was confirmed by him in a conversation I had with him yesterday evening.

Mr. Speaker: I will hear the next hon. member, but I just want to point out to the House that there seems to be some confusion about the situation at eleven o'clock.

The information that I have is that no formal notice has gone out to hold that meeting.

• (1030)

My concern now is that whether it is at eleven o'clock or whether it may come back a little later, there is a point of order in front of the Chamber and in front of the Chair. I think I am going to have to deal with it unless hon. members can resolve it among themselves, which would be the best solution, but that may not be possible.

I will hear the hon. member for Thunder Bay—Atikokan. Unless there is something vital and new that has to be brought in—the hon. member for Saint-Léonard wants to speak—it is probably my responsibility now to reserve and see how quickly I can settle this matter, if it is appropriate for me to do so.

Mr. Angus: Mr. Speaker, I want to add one key point. Yesterday I advised the parliamentary secretary to the government House leader, when he was in his seat in the House, that I did not agree to the report of the House management committee to strike Bill C-91. I indicated very clearly that the matter should be referred to the House management committee to be resolved.

Regardless of whether or not there was a signature, regardless of whatever the process was, I told the hon. member that I did not agree with the report.

Mr. Gagliano: Mr. Speaker, the striking committee of the subcommittee of the House management committee is composed of three Whips: the government Whip, the opposition Whip and the NDP Whip.

This subcommittee was created and received power delegated from the House management committee to expedite the changes in the formation of the committees so that the subcommittee did not have to go to the House management committee to get approval before presenting the report.

With this delegation of power one thing is very clear. This report has to be unanimous. If it is not unanimous it cannot be presented to the House. It has to go to the House management committee. What is happening this morning has not happened in the past. Once the names were given by the three Whips a report was prepared and the clerk was asked to have the three Whips sign that report before putting it before the House.

As opposition Whip I was not asked to sign that report and I therefore did not sign the report. I do not think, if we look at that report, that my signature or initials are there. I heard that the NDP Whip did the same thing.

There was no meeting. Whether physically or by signature there is no agreement. This matter is to be discussed at eleven o'clock and the striking committee has to report to the House management committee and maybe we could clear it up this afternoon.

Mr. Speaker: Keeping in mind that if I am to deal with this matter I had better get at it; time is slipping by.

Mr. Riis: Mr. Speaker, perhaps I can offer a solution which is fairly straightforward.

I would like to think we made the case strongly that this report ought not to be considered receivable. If the Speaker were simply to rule that the report submitted, the 50th report, is not receivable, at eleven o'clock the management committee could meet and deal with the issue. If the legislative committee meeting for Bill C-91 can be put off until some time later in the day then I think things can proceed as normal.

It is important at this point that the management committee deal with this issue and the report be subsequently tabled in the House. Then the legislative committee could get on with its business.

Mr. Speaker: Unless somebody has something which is absolutely vital, I have to go and deal with this matter. We cannot talk about it all day.

The hon. member for Cape Breton—East Richmond is showing some concern. I do not want to cut him off.

Mr. Dingwall: Mr. Speaker, we certainly want to give you sufficient time to adjudicate on the matter but, suffice it to say, I concur with my colleagues, the House leader of the NDP and the deputy leader, that in fact the NDP Whip said no in the House of Commons yesterday.

No was said in the House of Commons by the NDP House leader; no has been said today by the opposition Whip. Those facts have to be paramount in Your Honour's decision.

Mr. Murphy: Mr. Speaker, I will be very brief. At 9.30 this morning, the clerk of the legislative committee on Bill C-91 called the office of the member who would be appointed from the New Democratic Party saying that a meeting was set for 11 a.m. today in Room 536 of the Wellington Building.

We just received a call to say that meeting has been cancelled. My only concern is that things seem to be happening very quickly in the last hour. I would like to be assured that no meeting of this committee would be called until Your Honour has had a chance to report back to the House.

Mr. Speaker: The issue that I am asked to decide may very well, depending on my considerations if meetings go ahead when the Chair has been asked to determine as a consequence of interventions that have been made, the appropriateness of the entire procedure, then I have to deal with that issue.

Naturally the better course would be that members co-operate and that there would certainly be no meeting by the legislative committee. The management committee may indeed want to meet and to discuss this matter. If that resolves it all then I would not have to make a ruling.

I must say that I am reluctant to put the Chair into the midst of all this, but I have the matter in front of me and I am going to try to deal with it. In the meantime, while I withdraw and reserve and try to help resolve this hon. members might also see if they can resolve it.

I am going to ask my Deputy Speaker to proceed with Routine Proceedings. I know that there is a question of privilege coming up later. We may ask the hon. member who is busy somewhere else at the moment to adjourn that. His place would be confirmed and the hon. member for Kamloops might want to discuss that with him.

I am going to leave the chair, reserve, and see if I can solve this issue. I would ask other hon. members to see if they can solve it before I have to.

ROUTINE PROCEEDINGS

[*Translation*]

PASSENGER TRANSPORTATION

TABLING OF REPORT OF ROYAL COMMISSION

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, I have the honour to table, in both official languages, the final report of the Royal Commission on National Passenger Transportation.

* * *

[*English*]

SMALL BUSINESSES

ANNUAL REPORT

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Madam Speaker, I have the honour today to table, in both official languages, my annual report to Parliament on the state of small business in Canada

which this year takes the unique form of a workbook on exporting. It reflects the desire of small business to have useful information.

In keeping with the government's no frills publishing policy and as a recognition of the importance of new technology, I am also tabling, for what I believe is the first time in this House, a computer disk containing the entire report in both languages.

* * *

SCRUTINY OF REGULATIONS

SIXTH REPORT OF STANDING JOINT COMMITTEE

Mr. Derek Lee (Scarborough—Rouge River): Madam Speaker, I have the honour to table the sixth report of the Standing Joint Committee on the Scrutiny of Regulations.

In accordance with Standing Order 123, it is my duty to inform the House that this report contains a resolution to revoke subsection (8)(ii) and section 10.1 of the public works nuisance regulations.

Pursuant to Standing Order 123(1), a copy of the relevant regulations, chapter 1365 of the Consolidated Regulations of Canada, as amended, including the provisions disallowed by the joint committee, is attached as appendix A to the sixth report.

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

* * *

• (1040)

CHILD DAY ACT

MEASURE TO ENACT

Mr. Mac Harb (Ottawa Centre) moved for leave to introduce Bill C-371, an act respecting a national child day.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Harb: Madam Speaker, the intention of the bill is to ask the House to designate November 20 of every year as a national child day.

Canada very proudly co-chaired the United Nations Convention on the Rights of the Child and was among the first countries to push for children's rights internationally.

I hope that this bill will commend itself strongly to hon. members of all parties, so that we could obtain unanimous consent to pass this measure at all stages without debate in Private Members' Business later this afternoon.

Madam Deputy Speaker: Mr. Harb moves that the bill be now read the first time and printed.

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

Bill read the first time and printed.

* * *

[*Translation*]

PARLIAMENT OF CANADA ACT

MEASURE TO AMEND

Mr. Guy Saint-Julien (Abitibi) moved for leave to introduce Bill C-372, an act to amend the Parliament of Canada Act.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Saint-Julien: Madam Speaker, the purpose of this bill is to amend the Parliament of Canada Act and to impose mandatory disclosure of members' expenses directly related to their parliamentary duties. Every year, not later than 30 days after October 31 and 30 days after March 31, members would provide a statement of expenses directly related to their parliamentary duties. This bill would come into effect at the beginning of the Thirty-Fifth Parliament.

The proposed legislation follows the recommendations of the sixth report of the Special Committee on the Review of the Parliament of Canada Act, tabled in this House by the hon. member for Verchères on December 18, 1990.

Finally, the bill follows the recommendations made by the Auditor General of Canada, Mr. Denis Desautels, in his report on the audit of the House of Commons Administration, section 6, "members' expenses", submitted to the Speaker of the House in November 1991.

I also want to thank the hon. member for Terrebonne for seconding my motion to introduce this bill.

Madam Deputy Speaker: Mr. Saint-Julien moves that the bill be now read the first time and printed.

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

Bill read the first time and printed.

* * *

MOTOR VEHICLE SAFETY ACT

MEASURE TO ENACT

Hon. Jean Corbeil (Minister of Transport) moved that Bill S-8, an Act to regulate the manufacture and importation of motor vehicles and motor vehicle equipment to reduce the risk of death, injury and damage to property and the environment, be read the first time.

Motion agreed to and bill read the first time.

* * *

[*English*]

LOBBYISTS REGISTRATION ACT

COMPREHENSIVE REVIEW OF ACT

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I move:

That pursuant to section 14 of an act respecting the registration of lobbyists, chapter 44, fourth supplement, Revised Statutes of Canada, 1985, the act be referred to the Standing Committee on Consumer and Corporate Affairs and Government Operations and that the committee undertake a comprehensive review of the act and submit a report to the House no later than one year after the review is undertaken.

[*Translation*]

Mr. Plamondon: Would the hon. member please repeat the motion? I did not quite get the translation.

[*English*]

Madam Deputy Speaker: May we ask the hon. parliamentary secretary to repeat the motion?

Mr. Edwards: Madam Speaker, I would endeavour to do it in French, but it is a little technical for me, so I will read it again slowly in English. I move:

That pursuant to section 14 of an act respecting the registration of lobbyists, chapter 44, fourth supplement, Revised Statutes of Canada, 1985, the act be referred to the Standing Committee on Consumer and Corporate Affairs and Government Operations and that the committee undertake a comprehensive review of the act and submit a report to the House no later than one year after the review is undertaken.

Motion agreed to.

* * *

PETITIONS

CRTC

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, the petitioners who signed these petitions request that the CRTC regulate the use of foul and inappropriate language on radio and television.

They believe that parental efforts to raise children are often undermined by what happens on radio and television, particularly with respect to the use of language and violence. They stress that foul language is not necessary to inform or to entertain. They believe foul language is similar to violence, that it is one form of violence.

The petitioners ask for strict rules of conduct.

EDUCATION

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, my second petition is with respect to education. These petitioners stress the importance of quality education in Canada to meet increased productivity and to ensure that we are competitive. They condemn the 3 per cent tax on student loans; they criticize the cuts to education via the transfer payments route; and they want accessible education for everyone.

The National Consortium of Scientific and Educational Societies is in Ottawa at this particular time making these same points.

[*Translation*]

REQUEST FOR ELIMINATION OF VIOLENCE IN OUR SOCIETY

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, I am tabling a petition from residents of Senneterre and Barraute in Abitibi that says that violent movies on television are dangerous and therefore unacceptable because they incite more violence.

They point out that all toys that incite violent games are unacceptable and should not be made. The freedom of the press to report violent acts should be limited and information on acts of violence which is repeated too often on all television stations and on radio can incite others to commit the same violent acts.

Therefore the petitioners humbly ask Parliament to legislate on the above-mentioned points to eliminate violence in our society in order to better protect our children and give all our fellow citizens a better quality of life.

[*English*]

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Madam Speaker, I have the honour to present three petitions from citizens of my riding and the immediate area. I might add also that I am a bit sad to have to present these petitions because they deal with violence against women and children. More particularly, they deal with the violent deaths of Nina de Villiers of the Burlington area, Kristen French of St. Catharines and Carrie Pinard, a young lady who was gunned down inadvertently by young offenders while she was just minding her own business. We have seen an upsurge of violence and the hundreds of signators of this petition are very much taken aback because of this violence.

• (1050)

I urge the Minister of Justice to look into these petitions and that some consideration be given to them in this House. Further steps should be taken to somehow amend the Young Offenders Act so that our citizens are better protected in Canada.

IMMIGRATION

Ms. Barbara Greene (Don Valley North): Madam Speaker, I have three petitions I would like to present from citizens across the country. Almost every province is represented. These are in addition to the many thousands of signatures I previously submitted.

The petitioners are deeply concerned about the plight of refugee families in Canada. They urge the minister of immigration to issue ministers' permits for spouses and dependant children of refugee claimants who have been permitted to apply for landing from within Canada and allow them to be reunited in Canada for inland processing.

TELECOMMUNICATIONS

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Madam Speaker, I am pleased to present a petition pursuant to Standing Order 36. The petition has been certified correct as to form and content by the clerk of petitions. The petition contains some 191 signatures, mostly from my own constituency of Kootenay West—Revelstoke, particularly from the cities of Revelstoke, Trail, Rossland, Castlegar and the villages of Montrose and Perthvale.

The petitioners point out that Canadians are in danger of losing their first class telephone system and that Canada's tradition of universal, affordable service is at risk if long distance competition is approved by the CRTC as proposed by Unitel and B.C. Rail enters the telecommunications market.

The petitioners urge the Government of Canada to consult with all affected parties, especially rural residents who are at risk of substantially increased costs for local telephone calls.

Finally, they urge the Government of Canada to hold local hearings in rural communities before deciding the fate of Canada's telephone system.

BILL C-330

Mr. Stan Keyes (Hamilton West): Madam Speaker, I have the honour and privilege to present to this House a rather large petition, certified correct by the clerk of petitions.

The petition contains the signatures of over 15,000 Canadians who support Bill C-330. They want Canadians to have a greater say in the disposition of offenders in the judicial process and call upon Parliament to support victim's rights and the protection of the public from violent offenders.

This brings to over 50,000 the number of signatures brought to this House. Tonight Bill C-330 will have its day in the highest court in the land.

HUMAN RIGHTS

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Madam Speaker, it is my honour and duty on behalf of a number of citizens of the province of Quebec to present this petition.

For 50 years there has been illegal traffic of workers between the Haitian Republic and the Dominican Republic. These workers are not well treated and the petitioners call upon the Government of Canada to take issue with the Dominican Republic to try and rectify the situation relative to the United Nations Universal Declaration of Human Rights.

LIGHTHOUSES

Mr. Raymond Skelly (North Island—Powell River): Madam Speaker, I have the honour to present a petition in the House on behalf of the people on the coast of British Columbia who depend on the transportation safety system. They point out that the Conservative government's effort to destaff and downgrade the lighthouses on the coast of British Columbia was a dangerous and reckless act.

They ask the House of Commons to call on the Ministry of Transport to immediately implement the upgrading report, called *The Future of Lighthouses on the Coast of British Columbia* in order that the safety net can be improved and strengthened.

WATER DIVERSION

Mr. Nelson A. Riis (Kamloops): Madam Speaker, it is my privilege to present a petition on behalf of a number of constituents from central British Columbia who express their concern regarding a company that has announced its intention to divert water from the North Thompson River near Valemount and sell the water in the southern California area. This is one of the major river diversion plans.

Consequently the petitioners are urging the Government of Canada to state categorically it will not permit our fresh water rivers to be diverted into the United States and to state Canadian rivers are not for sale.

GOODS AND SERVICES TAX

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I have a petition signed by hundreds of Canadians from across the country. The largest number of them are from Kingston, but there are some from Bolton, Halifax, Amherstview, Windsor and even Toronto.

These people came to Kingston in the summer, went into book stores, and were shocked when they had to pay 7 per cent GST on their purchases of books, magazines and newspapers.

Canada is one of the very few democratic countries in the world where we have such a pernicious tax as this goods and services tax on the printed word. These Canadians are shocked they have to pay this every time they purchase a book. Book sellers are horrified. They have to go through the expense of collecting this tax, which is unfair and unjust.

These petitioners call on Parliament to repeal the goods and services tax in so far as it applies to books, magazines and newspapers.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk)

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, Question No. 383 will be answered today.

[*Text*]

Question No. 383—**Mr. Karpoff:**

> Have any studies been done by or for government departments, bodies or agencies since January 1, 1989 regarding the estimated cost of a national child care program, and if so, (*a*) what are the dates of these studies (*b*) who are the authors of these studies?

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): I am informed by the Departments of Finance and National Health and Welfare as follows:

The Department of Finance has not undertaken any studies since January 1, 1989, to estimate the cost of a national child care (spaces) program.

It should be noted however that the government provides support to families most in need of assistance and is addressing the problems faced by children at risk—child physical and sexual abuse, poor nutrition and health. That is why the 1992 budget announced an increase of $2.1 billion in federal support for families over the next five years. Furthermore, the Minister of National Health and Welfare has recently announced a $500 million child development initiative aimed at preventing and reducing conditions of risk among children.

Federal expenditures on measures related to child care now total over $1 billion per year. These include the Child Care Expense Deduction, the Child Tax Credit Supplement, the federal share of day care expenditures under the Canada Assistance Plan, and child care allowances for parents participating in federal training programs. In addition, the federal government contrib-

utes some $1.4 billion in maternity and parental benefits under the unemployment insurance program.

The Department of National Health and Welfare has not conducted any studies on the estimated cost of a national child care program, nor has it funded any such studies since January 1, 1989.

The Department of National Health and Welfare conducted a great deal of research and policy development in preparation for the national child care bill of the last Parliament (this bill, C-144, did not receive Royal Assent before the 1988 election). This body of research was used in the preparation of a number of estimates of the potential costs of child care programs in 1989 and following years. For example, new estimates for child care spaces creation were prepared by varying the expenditures per space (to account for cost increases) and the numbers of new spaces, and re-estimating the total.

[*English*]

Madam Deputy Speaker: The question as enumerated by the parliamentary secretary has been answered.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, if Question No. 247 could be made an Order for Return, the return would be tabled immediately.

Madam Deputy Speaker: Is it the pleasure of the House that Question No. 247 be deemed to have been made an order for return?

Some hon. Members: Agreed.

[*Text*]

Question No. 247—**Mr. Taylor:**

Since April 1, 1991, has any information been refused under Section 68 and 69 of the Access to Information Act and, if so, (*a*) how many times (*b*) what is the number of such exemptions claimed by department or agency (*c*) what is the percentage of the refusals in relation to total number of requests?

Return tabled.

[*English*]

Mr. Edwards: I ask that all remaining questions be allowed to stand.

Madam Deputy Speaker: Shall the remaining questions stand?

Some hon. members: Agreed.

* * *

BUSINESS OF THE HOUSE

Mr. Milliken: Madam Speaker, assuming that Bill C-26 is called as first item under Government Orders this morning, I think you will find a disposition on the part of the House to sit through the lunch hour for the purpose of continuing consideration of the report stage of Bill C-26.

Mr. Edwards: Madam Speaker, that request has been made by the Official Opposition. As far as the government's side is concerned, it would be satisfactory.

Madam Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

PUBLIC SERVICE REFORM ACT

MEASURE TO ENACT

The House resumed from Tuesday, June 23, consideration of Bill C-26, an act to amend the Public Service Employment Act, the Public Service Staff Relations Act and other acts in relation to the Public Service of Canada, as reported (with amendments) from the legislative committee; and Motions Nos. 15, 16, 18, 19 and 23.

Madam Deputy Speaker: We are resuming debate on Motions Nos. 15, 16, 18, 19 and 23. The hon. member for Kingston and the Islands has the floor and he has eight minutes remaining on debate.

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I will forgo any further comment on these particular sections and possibly participate in the discussions on another set of amendments later in the day.

Mr. Raymond Skelly (North Island—Powell River): Madam Speaker, it is a pleasure to have an opportunity to speak on this important issue today in the House of Commons.

I would like to point out how concerned we in the New Democratic Party are about the treatment of the Public Service of Canada by the present government. There is an enormous effort on the part of the government to brand the Public Service of Canada as having responsibility for many of the things that have gone wrong in terms of the government deficit and government programs, and this is absolutely false.

Canada has one of the finest and most dedicated public services in the world. Instead of attacking, demoralizing and blaming it for all the ills in the world, the government should support it thoroughly.

I will use a couple of quick examples of the kind of demoralisation that has gone on. The first one is the lighthouse services on the coast of British Columbia. The Liberal government attempted to de-staff the lighthouses of British Columbia, and this was then picked up by the Conservative government. It ran study after study and then attempted to implement a program to remove those lighthouse keepers. They are people who have been incredibly dedicated in isolated services and have provided a tremendous service to the people of Canada. Once in power, the government immediately went to the attack. I recall that happening in previous Parliaments when the Liberals were in power. There were enormous community fights on the coast of British Columbia to defend and keep their lighthouse services and transportation safety services. When the Liberals left power, we faced exactly the same thing with the Conservative government.

• (1100)

We have been through this three times, and every time the government attempts to blame these people for inefficiencies, the community rises to their defence.

In the latest round, the Conservative government came out with a proposal to de-staff lighthouse services, automate them and really downgrade their function. We had very large meetings in Prince Rupert with members of the public and members of the marine and aviation transportation communities. They told us we are making this system far more dangerous than it already is by removing these positions.

There were meetings in Port Hardy and Campbell River. By the time the public meetings hit Campbell River, the government realized the political consequences of continuing in this vein were going to be fatal. It realized those public servants provided enormous service to the people who travel the coast of British Columbia all year round, realizing that it is a dangerous place to function and operate.

At one point, after a previous encounter, the government realized the error of its ways. It realized that to try to remove those public servants and blame them for many cost overruns and problems along that line would not wash, so it indicated it would allow those positions to continue in the Public Service. It then put out *The Future Role of Lighthouses* report and promised to upgrade the Public Service and those facilities. The report went through to Ottawa, hit the President of the Treasury Board, and died.

It really talked about the kind of service those people could contribute to Canadians. It is a tremendously valued and respected service. It simply asked for some support to keep those public servants on the job, doing what Canadians need the Public Service to do, and in this case it is protect their lives. It just called for some simple support, by means of a communication system, where lighthouse keepers could inform people in the marine and air transportation sectors about the local conditions around the lighthouse. This was often the only effective form of weather communication.

It also talked about adding basic weather reporting facilities so these public servants could enhance the job they do, but to date there has been absolutely nothing. The previous Liberal government and the Conservative government have each tried twice to de-staff this program, but with the public in an absolute uproar about it, it has cancelled its plans.

It is now trying to erode that service through the back door by shutting down the lighthouse at Sand Heads. We would really like to know what the consultant's report says about putting the public service staff back in that lighthouse to provide top quality safety service to the public.

I would like to hear the minister responsible for the Treasury Board stand up in the House and tell us if staff will be put back in that facility. I would like him to

guarantee the government will not try to get rid of these public servants out the back door. Public servants cannot do a decent job for Canadians unless they are given basic minimum equipment. Again we see the strangler of the money-bag of the people of Canada here in the House. I think it would be really very productive for the minister responsible for the Treasury Board to tell us very clearly if it will provide the Public Service with the tools to do the job. The public servants need communications equipment. They need weather reporting equipment, some basic weather training and a commitment to provide those services to the public. They need some basic search and rescue equipment, such as a boat and motor. They need a basic telephone. People in the regional office in British Columbia are talking about pulling telephones and just simple basic equipment out of lighthouses.

In many cases it is not just an attempt to save the taxpayers of Canada money. The people of Canada are being placed in serious danger. It just aggravates public servants attempting to do their jobs when you remove these picky little things. It breaks morale to try to discipline people through the back door for what I think are legitimate and important examples of what the Public Service is doing right now.

Quite honestly, if the government is looking at removing or replacing some of the people, there are a few folks in management in the regional and headquarter offices who could be replaced. Ultimately, it is not the public servants who need to be replaced. They are the ones who follow the directions of this government.

This government is enforcing absolutely unacceptable approaches on management for dealing with the Public Service. The government is hauling away the equipment to do the job from the Public Service and breaking the morale of the finest public servants in the world. It is attempting to blame them for the shortcomings of this government, and that will not wash.

Privatization is really causing an enormous break in morale within the Public Service. The Minister of Transport is considering a proposal from the district and regional office of the Pacific region to privatize coast guard helicopter services and coast guard search and rescue services with those helicopters. This is irresponsible and dangerous. It breaks the morale of the Public Service. It demonstrates the government has no understanding, on a day to day basis, of their job and mission when they are told they can be replaced by Okanagan Helicopter and Canadian Helicopter. The government is going to turn that operation over as a lucrative plum to its friends and may even give them the equipment to boot.

It reminds me of the Bill Vander Zalms of the world who sell the public highway service of British Columbia to the private sector. It has been a complete disaster. The government gave away the land and the equipment. It just gave a great little plum to some friends out there. Public transportation infrastructure was handed over to the private sector. If that is done to the helicopter service on the coast of B.C. it would be absolutely destructive for the Public Service and for the safety of British Columbians.

On Sunday afternoon, November 22, in Campbell River there is going to be an enormous public meeting on the issue of the future of lighthouses. We are satisfied they are not going to be de-staffed at this point, but there must be a commitment to upgrade those lighthouses. We need representation at that meeting from the Ministry of Transport to tell us if it is going to protect the safety of British Columbians by upgrading those lighthouses and keeping those public servants on the job and able to do the job.

We want somebody from the Ministry of Transport at that meeting at the Labour Hall in Campbell River at 2 p.m. on Sunday, November 22, to tell us the government is going to kill this proposal to privatize coast guard helicopter services and keep those public servants behind those controls, saving the lives of British Columbians.

Mrs. Marlene Catterall (Ottawa West): Madam Speaker, we had a fairly lengthy debate on this group of motions when we last met in June. As we are resuming debate after a six month absence, I thought it was important to put the rest of today's debate in context and remind the House and the public that we are meeting today to debate this important bill, again under closure. A government which has spent several million dollars developing the report for this legislation now wants debate on it concluded in less than two additional sitting days. Once again the public is denied the right to hear the merits and demerits of the government's actions and to make their own judgment.

• (1110)

Nonetheless I do not think that is too important. The vast majority of Canadians have already made their judgments on this government and will be expressing those as soon as they get the opportunity at the ballot box.

I do want to again come back because the last few months have given a meaning to this bill and I think it is important to remind both the House and the public what is fundamental about this bill. It is not an esoteric exercise in internal organization of government. It is a bill that has a very real impact on the service Canadians get every day from their government and on the value they get for the money that goes into the Public Service.

During the referendum we heard one strong theme from Canadians, that they want a national government capable of governing this country in the interests of all Canadians. They want a national vision. They want a clear sense of direction and they want leadership from their national government in planning the future of this country.

That leadership depends on whom we elect to Parliament, but it depends even more on those people that day in and day out serve Canadians from coast to coast. The previous speaker referred to everything from the most remote lighthouse on the west coast of Canada to the most remote harbour on the east coast of Canada to the most remote outpost in northern Canada. It is Public Service employees who provide those services to Canadians and allow us to build our future together.

The other thing Canadians said during the referendum is that they are tired of confrontation. They want more co-operation. You do not get co-operation instead of confrontation with a government that insists on having confrontational relationships with its own employees as opposed to working in partnership with them, as it is encouraging the private sector to do with its employees.

You do not get co-operation instead of confrontation when you have months and months of rumours that the government is planning to cut 10 per cent of its employees at a time when more Canadians than ever before in the history of this country are unemployed and are facing Christmas and the holiday season with some pretty bleak prospects, not only for themselves but for their children's future as well.

The other thing Canadians said during the referendum is that they want leadership. They want government leadership in addressing the urgent economic situation of this country, not only the misery of five million Canadians affected by high unemployment, but the fundamental problems with our economy, the failure of this government to even understand the impact of global trends on Canada and to help Canadians prepare and plan and adjust to those changes. That kind of leadership does not come only from the benches in this House. It has to come from top to bottom in the Public Service of Canada.

We have a prosperity report that says there should be a systematic, thorough examination of governments at all levels where duplication is, where overlap is, and how efficiency can be improved. What do we have the government doing? A totally *ad hoc*, across the board threat of job cuts, job losses. We all know what that does. It does not save any money for Canadians, it just puts more money into the hands of the friends of the government who want to pick up that work on contract.

We have the release of the report of the International Labour Organization, a tripartite labour-management-government organization that is responsible for overseeing international conventions on labour relations, slamming this government for its treatment of its own employees.

It is not surprising to see the bill we have before us and have had before us for some months now from a government that fundamentally does not believe in government. It believes in getting out of government doing anything. I think the referendum showed us clearly that the attitude of government is at odds with what Canadians want. It is probably why we sat through months and months of committee hearings with the elected members of this government having virtually no comment and no discussion on the bill before us. They have sat through hours in this House equally silent, refusing even to debate the dozens of amendments that members of the opposition have put forward, motions and amendments that would improve this bill. We have not even had the courtesy of allowing minor corrections to the bill that are necessary to make it technically correct.

We have a government in power that does not understand the purpose of government. Members opposite in the governing party are not debating the amendments to this bill because they do not understand this bill, they do not understand the purpose of the amendments and they are unable to debate them on their merits.

We have a government that is bereft of ideas, that is tired and that should be replaced. All we can hope to do in the two days of debate remaining is to ensure that a very damaging bill is at least subject to public scrutiny and subject to our best attempts to have improvements made to it.

I want to comment briefly on the particular group of motions before us because they go to the heart of what is wrong with this bill. If we have had the best Public Service in the world, and we have had in this country, it is because for the better part of a century we have been committed to the principle that you do not get a job based on who you know or who your father was or who you have paid off. You get a job because you are the best person to do the job.

These motions go directly to the heart of that issue and this bill presented by the government goes directly to the heart of trying to destroy what is known as the merit principle. That is why these amendments are put forward, to say very clearly that you get an appointment because you are the best person for the job, not on some arbitrary standard your manager sets, not on some standard which may be described because your manager happens to like you, but because we have looked at the people who are qualified to serve the people of Canada and we have chosen the best. That is what Motion No. 16 is trying to accomplish. I urge the government to seriously consider supporting it.

A couple of subsequent amendments tried to correct what has been a misapplication of the merit principle for many decades in this country and throughout society. Let us be honest. We all know that when it comes to judging people on their ability to do the job, some people never get quite judged only on ability, but on their gender or on their colour or on the fact that they happen to have a disability. That is why we have not seen throughout society and throughout government women, aboriginal peoples, visible minorities and people with disabilities moving much below the lowest ranks.

The remaining motions are to ensure that measures in our hiring practices that discriminate against people on the basis of anything but ability are removed.

• (1120)

I urge the government at this last moment to consider supporting those amendments.

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, I am not pleased about the bill, but I am pleased to have a chance to speak against it.

This is Bill C–26, an act to amend the Public Service Employment Act and Public Service Staff Relations Act and other acts related to it. I want to speak particularly about the so–called merit principle that the government is bent on bringing in.

This principle would allow the Public Service Commission to appoint people on the basis of what it calls the competence of a person as measured by such standards of competence as the commission may establish. In other words, it will be favouritism. It will be division and the encouragement of mutual suspicion, non co–operation and destruction of morale.

To destroy agreed and objective systems of selection, competition and promotion clearly is done with the intent to destroy the Public Service as a public service. It is to prepare the way for total privatization of the Public Service, yet the government will not come out and openly state its intent. It knows there would be a revolt of the staff.

Revolts of staff are already brewing. My familiarity particularly is with the Canada Employment and Immigration Commission and the staff working in the Ontario region and the Toronto district.

Over the last 11 years, my constituency office has had good working relations with the staff of the Canada immigration centres in Toronto, not that there were not problems. Of course, there were problems. There were problems from the point of view of a constituent, there were problems from the point of view of my office staff and there were problems from the point of view of the immigration staff.

Nobody monopolizes all the problems, nobody is free of responsibility for this or that part of the problems. What I am talking about is that through consistent effort by my staff in the constituency office over these 11 years, they have been able to establish reasonable communica-

tion with their counterparts in the local immigration centres, and on the higher levels as well when necessary.

That is to say until this year. This year things have changed. Staff has been slashed. The government brags about increasing the number of immigrants to Canada. Toronto is the main destination of immigrants, especially of refugees. More than half the refugees come to the Toronto region. Perhaps it is not more than half the immigrants, but certainly a very large percentage of them. However, the government has been slashing the staff in Toronto, especially over this past year.

Immigration staff who used to have a case load of perhaps 30, 40 or 50 now have a case load of 100. One of them at the lower management level confessed to my assistant and said: "When I look at 100 cases sitting on my desk, I say that is 100 families whose life I am messing up and I cannot do anything about it". They are simply overloaded.

Recently there was a big hullabaloo over an exposé on television about war criminals having been admitted to Canada from Somalia. I am told that one of those was admitted by one of the Toronto staff because he was so overloaded with work that he did not have time to check properly on that case, to ask the questions he should have asked. The staff is blamed and of course the government uses that gladly as an excuse for saying that we need nastier laws. We need to be able to exclude people on mere suspicion, as the present Bill C–86 provides.

If the officer has reason to believe that the person has done something in another country that is an offence in Canada, then he is inadmissible. "Reason to believe," in other words mere suspicion. Maybe he just does not like the colour of the person's skin and concludes therefore that the person might do something wrong in Canada.

I have had the case of a Canadian citizen from an African country, a landed immigrant, a citizen trying to bring immediate family members, pressing an immigration officer to do his duty in the matter and the immigration officer bursting out and saying: "How the hell did you get here?" The person said: "I'm a Canadian citizen". He said: "You're the ones that are causing the trouble". That person was black.

I do not know the officer who did that. Whether that is a consistent pattern with that officer of racial prejudice, I am not prepared to say. What I am prepared to say is that officers who are under unreasonable pressure of work may do things that are not normally within their character. None of us is so perfect that we can respond to the public as we ought to respond when the pressures of work become unreasonable.

I am told that currently in the staff slashing process they come to an officer and say: "How many reports can you do in a day?" He gives a number. They go to another officer: "How many reports can you do in a day?" She gives a number. After getting these numbers they say: "You are all going to have to do *x* number," a higher number in a day. It means they can lay off more staff and simply load impossible piles of paper work on the immigration staff.

Until the spring of this year when my office phoned or faxed to the immigration office to get a status report on the request of a constituent, it would take a matter of two or three days, half a week or at the most a week to get an answer. Now it is not unusual to go several months without getting an answer to the simple question, what is the status of this person's request? Repeated phone calls, repeated faxes do not get answers to questions.

The government has been slashing the staff and setting one staff person against another so that everyone is discouraged from co–operating. Each staff member is running scared of being laid off and is working against everyone else as often as he or she is working with everyone else. This was not the case before in the Toronto immigration offices.

Canadian citizens and Canadian permanent residents are being badly served by this change in the staff. The worst news of all is the new system of mail–in. Instead of a Toronto person going to the immigration office and saying: "I would like to sponsor my mother from the old country", or whatever, he is now told to phone in and wait for a package. "We'll mail you a package. You fill out the kit." You mail it in and then you sit and wait for an answer, which is probably to tell you did not fill it in right. Once you could get advice from the immigration officer on how to fill in the forms because the average Canadian is not an expert in immigration technicalities. Now they are shut out. They cannot get advice. They

cannot get answers. They cannot get the service of the immigration department.

• (1130)

That is the result of this government's plan to close down most of the immigration offices in Canada and force all people to deal by mail with a system that is incapable of doing this job by mail under the conditions that this government is enforcing. Therefore this bill is a scandal.

[*Translation*]

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Madam Speaker, since this is the first time that I speak in this debate, I would first of all like to tell this House about the admiration and respect I have for the Canadian Public Service. I am talking as President of the Treasury Board, of course, but also as a former civil servant who knows first hand whereof he speaks.

[*English*]

The civil service of Canada is miles ahead of the people I have heard on the opposition side in their readiness to face the challenges of the modern world. Bill C–26 does not come from outer space. It comes from vast consultations in the Public Service. Managers are also members of the Public Service. Employees are part of the Public Service. It is together with them that we have prepared this bill which provides additional flexibility to face the changing world.

The hon. member for Ottawa West said that we have to prepare Canadians for change. To do that we have to change ourselves and adapt. Did she visit Expo Innovation, the exhibition that was put together by the Public Service and various departments here in Ottawa to show the new technology they have brought to the management of this country. It was one of the proudest moments of my career as minister. They have been inventive.

All this new technology brings with it concern for their own jobs because with machines and new technology sometimes you can do more with fewer people. However, the purpose of the public service is not to guarantee employment for millions or a hundred thousand people. It is to provide the best possible service to Canadians, and the only sacred principle is to make sure that Canadians get the best possible service with the resources available. They have to be imaginative and they are. I face these changes with great confidence.

The member for North Island—Powell River indicated that in our decision last year to introduce legislation on wage restraint we were punishing the civil servants. I have repeated in this House time and time again that this is not the case.

I would say that Canadians are being punished by the harsh realities of the modern world. Canadians feel the strain of a very difficult environment and the government also feels it. The government depends on the economy to have access to the resources needed to provide the services. It has had to adjust and take that into account and it has.

One of the great threats to our competitive capacity was the unit labour cost. We decided we had to do something as the manager of the largest organization in Canada to show the way. The member for Ottawa West said we had to show leadership. We have. We have been followed by many provinces and by the private sector. We have been able to reduce our unit labour cost to the extent that we had the lowest inflation rate in the western world at the present time. We are showing the way.

There was some mention that little consultation took place. If there was ever a bill presented in this House of Commons in Ottawa with so much discussion and consultation this is it. We have had 10 task forces made up of hundreds of members taken from all government departments. They had focus groups, workshops and various surveys that involved 7,600 public servants. I could go on. We had nearly one million brochures sent out to discuss our approach. The result is Bill C–26, a modern way of management.

My last remarks will be on the merit principle. Listening to the opposition, Bill C–26 is to achieve something terrible. I disagree totally with them. Merit, that is the selection of the best qualified person, will continue to apply on recruitment and on promotion. One must not forget that merit has never been an absolute concept. It has adapted to the various circumstances and social conditions throughout the years. For example, priority for appointment is given to persons facing lay–off. This is not merit. Preference is given to veterans. This is not merit. Canadian citizens, in certain instances, and local

residents are given preference. This is not merit. Therefore, it has never been an absolute.

Today improved service to Canadians is what the Public Service is all about and it has to be done through an efficient and effective deployment process which is a very important part of this bill. People who are being deployed have already proven themselves to be capable of performing duties at a given level of responsibility. I do not see what is gained by requiring a complete reassessment of their capabilities every time they are moved to similar jobs.

Favouritism has been mentioned. Managers are members of the Public Service. They come from the Public Service and they have to deliver the best possible service. They want to have the best people around them.

Therefore, I believe that this bill and in particular article 10 is very important as we proposed it. I also think that Bill C-26 is an example of its time.

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, I feel compelled to say a few words after listening to the President of the Treasury Board outline, to quote him, the fact that the unit labour cost of the Public Service should show the way in our society, should lead the private sector. Now he says that we have the lowest inflation rate. That perhaps is what is wrong with the principles behind what the government is doing in this section of the bill and with the Public Service.

How do you judge the value of a worker who is working for the people of Canada and not to make a dollar for the people of Canada? How do you judge that?

While I was listening to the minister, as he said that improved service is the way to go and that is what this bill does, that is what the government has done for the people of Canada, I was thinking about overworked public servants in the unemployment insurance offices of our high unemployment areas in Canada: in Gander, Newfoundland; in Grand Falls, Newfoundland. There are a lot of Ganders and Grand Falls right across this country where people are overworked. They just cannot keep up with the workload.

How do you make a judgment on the fact that today, November 1992, Canada pension disability offices in this country are now taking off of one desk and putting before the board of appeal the applications that were sent for appeal on March 1, 1992.

• (1140)

Let me get this straight now so that there is no cloudiness about it at all, so there is no doubt about it at all. A person who applies for Canada pension disability under appeal to the Government of Canada today and who wrote his or her appeal on March 1 or before March 1 is now having the appeal dealt with by the Public Service of Canada. March, April, May, June, July, August, September, October and now we are into November. It has been nine months. That is a record.

The minister talks about records. The Government of Canada has set a record today. Somebody who appeals Canada pension disability in this country, somebody who is in a hospital, is having Household Finance, Avco, or the Bank of Nova Scotia threatening to seize his or her property, home or car, such people are in hospital and having everything seized. They will qualify for Canada pension disability. I ask the minister not to get me wrong. They will qualify, but it takes nine months for an application of appeal to be read, to go from one desk to another desk. It is incredible, absolutely incredible.

What happens in the cases of people who are completely disabled and something has been lost like a letter from a doctor? I am not talking about 10 or 20 cases; I am talking about hundreds and hundreds and hundreds of cases right across Canada.

An hon. member: Thousands.

Mr. Baker: Thousands, the hon. member says. There are thousands of cases today. In nine months a record has been set. In terms of Canada pension disability a record has been set for the sick, the elderly and the disabled, people who have been injured on the job. They are losing their homes, losing their property, because the banks will not wait for an appeal. When has a bank in Canada or in any other country in the industrialized world waited for a disability insurance appeal? The Government of Canada has set a record today of nine months for that appeal to be heard.

The minister talks about efficiency. Why does it take nine months? It is because the people who had retired in the department were not replaced. Their desks are there. Their telephones are there. However they were

not replaced in the department. Now the question is: why not?

I would say it was for two main reasons. First, there has been a freeze on hiring in the Public Service. Second, the government has been attacking the problem in the very way that the minister has outlined today. He asked: "What can we do to bring down the unit labour cost?" He brought in a system whereby managers in the Public Service could not go up any higher in their salary scale. He brought in what was called performance bonuses. If they cut back in their departments they got an extra bonus at the end of the year. Pay offs for lay offs; that is what it was.

That was a part of the problem and the freeze was the other part of the problem. That is why today we have empty seats in the Public Service right across Canada. We have public servants who do not really have the desire to work overtime every day without getting paid for it, and they are drastically overworked.

The minister talks about money. We are going to hear it in the statement of the President of the Treasury Board and the Minister of Finance. The freezes will be extended and the cuts will be announced.

What did these employees get? If they did not get a salary increase over the past few years, what did they get? The minister says 3 per cent. I will tell him what they got, compared with the friends of the government, also appointed by the minister and cabinet.

They did not get an increase. They did not get an increase of $11,880 as the president of CN looks at in his range. They cannot go up to $407,880 as the chief executive officer of CN can today. They do not qualify for a potential bonus of $101,970 this year, and the minister speaks about 3 per cent. It is not only him.

Let us look at Canada Post. How much did the salary of its head go up this financial year? It went up $9,300 this financial year, with a potential bonus to the head of Canada Post this year of $79,800 just before Christmas. The minister did not talk about that.

Using the merit principle of unit labour cost, by what logic does the minister let the head of Canadian National qualify for a potential bonus? That is over and above his salary which can go up to $407,880 this year. On top of that he can get $101,970 in a bonus. What performance do they judge for him? Is it the number of railway tracks he closes down?

Mr. Speaker, you are telling me I am running short of time.

The Acting Speaker (Mr. Paproski): Is there unanimous consent to allow the hon. member to continue?

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): I will allow him one more minute to wind up.

Mr. Baker: Mr. Speaker, let me wind up by saying, now that we have looked at the bonus for CN, that we should look at the potential bonus for the head of Canada Post of $78,800 on top of a salary of $319,300. Is it for free stamps? No. It is for the number of post offices he has closed. That is the judgment of the Government of Canada.

I will conclude. Do we know what they gave to the employees of the department of employment this past year? They were given mugs and they were given pins. The mugs they were given said on the side: "We are together. Our reason for being", in French and English, "is to create employment". On the bottom of the mug it said: "Made in Taiwan".

The pins they gave out to hard working public servants in the department of employment said: "We are together" and on the backs of these nice gold pins was printed: "Made in the U.S.A."

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

Some hon. members: Agreed.

Some hon. members: No.

• (1150)

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 with 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), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 16. 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), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 19.

Ms. Langan: Mr. Speaker, I rise on a point of order. I am having trouble keeping up with you.

The Acting Speaker (Mr. Paproski): Motion No. 15, if carried, obviates a vote on Motions Nos. 16 and 18. If negatived, we must vote on Motion No. 16. Is that all right?

Ms. Langan: That is fine.

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 nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 23. 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), a recorded division on the proposed motion stands deferred.

Mrs. Catterall: Mr. Speaker, I rise on a point of order for clarification. I do not believe you called Motion No. 18 for a deferred vote. I heard you call Motions Nos. 15, 16, 19 and 23.

The Acting Speaker (Mr. Paproski): Because the division on Motion No. 15 was deferred we do not vote on Motion No. 18 until we have dispensed with Motion No. 15. If it is negatived then we must vote on Motion No. 18. If it is carried it obviates a vote on Motion No. 18.

We are now on Motion No. 25.

Ms. Langan: Mr. Speaker, when I rose on a point of order asking you to slow down it was at the point when you were dealing with Motion No. 16. I was not able to hear what you had called on the yeas and nays.

You called for the yeas and nays, said what they were, and then went right on. It was not clear to me what the outcome was or whether we needed to rise from our seats.

The Acting Speaker (Mr. Paproski): An affirmative vote on Motion No. 15 obviates the need for a vote on Motions Nos. 16 and 18. This has been deferred until 4.45 p.m. today.

The next question is on Motion No. 25.

Mrs. Marlene Catterall (Ottawa West) moved:

Motion No. 25

That Bill C–26 be amended in Clause 15 by striking out line 20 at page 7 and substituting the following therefor:

"made from an eligibility list established for the position or positions of a similar occupational nature and level and where such list is exhausted, the appointment may be made from an eligibility list established for a position or positions of a similar occupational nature at a higher level, in accordance".

She said: Mr. Speaker, I do not want to speak at length on this single motion. Again it goes to the heart of the merit principle and whether the fundamental process in hiring, promoting and appointing people within the Public Service is based on their qualifications in order of priority or not.

The eligibility lists are established to ensure that where there is a number of positions requiring the same qualifications, the most qualified person gets appointed first. The second most qualified gets appointed next and so on down the line until the positions are filled.

There is another fundamental issue, however. This bill like many others that have come before this House in the last few years establishes a process of regulation instead of legislation. What should clearly be spelled out in legislation to protect people's rights or to allow people to know the law is more and more frequently, we are finding, being left to the discretion of the government to establish regulations. This is another such section.

The legislation right now is very clear on how an eligibility list is established and on how it is to be used. That is in the legislation. The government's bill now proposes to undermine the purpose of the eligibility list and, further, to say that regulations of the Public Service Commission will determine how the lists are made and how they are applied.

This is a further erosion of the merit principle and its protection in the Public Service Employment Act. This amendment reinstates the current definition of an eligibility list. It puts it clearly in the legislation and avoids one more thing. It is passed over to the government and to bureaucracies to establish by regulation.

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. 25. 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), a recorded division on the proposed motion stands deferred.

Mrs. Marlene Catterall (Ottawa West) moved:

Motion No. 27

That Bill C–26 be amended in Clause 16 by striking out lines 37 to 44 at page 8.

She said: Mr. Speaker, I think we have a grouping of Motions Nos. 27, 29 and 31. Motions Nos. 27 and 31 stand in my name and Motion No. 29 stands in the name of the member for Kingston and the Islands. I would ask the consent of the House in the absence of the member for Kingston and the Islands at committee to move Motion No. 29 in his name. He has just arrived. Consent is not necessary.

• (1200)

The Acting Speaker (Mr. Paproski): The hon. member is right. There is the other side of the page which I did not have an opportunity to look at.

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

Motion No. 29

That Bill C-26 be amended in Clause 16 by adding immediately after line 28 at page 9 the following:

"21.3 (1) The Commission shall, on request by a candidate or person that is entitled to appeal pursuant to subsection (1), disclose to the candidate or person, the information on which the Commission based its selection, including, in the case of a request by a candidate,

(*a*) any report made in respect of the candidate;

(*b*) information regarding the status of the candidate in the competition; and

(*c*) written reasons for the candidate's non-appointment.

(2) Where a person is appointed or is about to be appointed under this Act and the selection was made within the Public Service without competition, any person may, within fourteen days after the date of publication of notice of appointment, request the opinion of the Commission referred to in subsection (1).

(3) Where a person makes a request pursuant to subsection (1), the Commission shall

(*a*) where requested, give the person an opportunity to be heard before the Commission renders its opinion;

(*b*) give written notice of its opinion within thirty days of the request for an opinion, unless it is unable to do so, in which case it shall notify the person, in writing, of the reasons for its inability to render an opinion and the date by which it will do so; and

(*c*) set out in the notice referred to in paragraph (*b*), the reasons for its opinion.

(4) A board established by the Commission to conduct an inquiry pursuant to subsection (1) shall give at least fourteen days' notice to the candidate or person appealing and to the deputy head concerned or to their representatives, of the time and place fixed by the board for the conduct of the inquiry.

(5) No document or information may be used in an inquiry before a board described in subsection (1) unless the candidate or person appealing to the board has prior knowledge of the information or contents of the document.

(6) A board described in subsection (1) has power to summon and enforce the attendance of any witness it considers necessary to the inquiry and to compel the witness to give oral or written evidence on oath and to produce any document or thing that the board considers requisite to a full inquiry."

Mrs. Marlene Catterall (Ottawa West) moved:

Motion No. 31

That Bill C-26 be amended in Clause 19 by striking out line 2 at page 11 and substituting the following therefor:

"specified period, except where the person has been appointed for one or more terms totalling one year or more to the position that the person occupied at the time the person was laid off."

She said: Mr. Speaker, just speaking again briefly to my Motions Nos. 27 and 31 and referring briefly to the motion of the member for Kingston and the Islands, one of the things that we in the opposition stressed during the committee hearings and during debate in this House is the issue of accountability.

If managers are to be given more responsibility, they must be given more accountability. Notwithstanding frequent requests to the President of the Treasury Board and to senior officials during the hearings, none of them has been able to point out any section or any wording in the act that increases accountability.

This is a public corporation. It is not a private corporation where accountability is the bottom line. Accountability is to the elected representatives of the people of Canada. It is desperately missing from this bill.

Motion No. 27 is a good example. It deletes the right to appeal against an appointment except where it can be established that an appointment was not made on merit. The ability to appeal, the ability to have some independent review of this new discretion managers are to be given is curtailed at every step of this bill. That means there is no power to oversee whether this new responsibility is being exercised responsibly.

Motion No. 27 simply seeks to delete those sections which limit the right of an employee to appeal an appointment. It ensures that the Public Service Commission, which is the guardian of the merit principle, has not only an opportunity but an obligation to review appointments, to ensure that they have been properly carried out. Without that review, the Canadian public has no assurance that their Public Service is not becoming a hotbed and a nest of appointments by favouritism.

I am not sure why these motions are grouped, frankly, because Motion No. 31 is on quite a distinct subject. However, what Motion No. 31 does is endeavour to ensure that term employees are covered by the work force adjustment policy. Throughout the Public Service there has been an abuse of term employees. The vast majority of those term employees are women or they are people with disabilities who are hired to meet a target. They are on for a few months and then they are extended for a few months, and then they are extended for a few

months, and then they are extended for a few months. Many of them have been in the Public Service for periods approaching five years without ever having established any rights as employees or any security.

To me, that is an abuse of a mechanism that should be there to meet short-term needs. It is an abuse of people who are performing a full-time job on an ongoing basis but are not allowed to have any of the benefits of that service.

What this motion does is ensure that where work is contracted out, term employees who have been there for an extended period of time have the same protection as indeterminate employees. They have been working beside each other, doing the same work, performing the same service for Canadians. They should be entitled to the same rights of protection when their work is contracted out.

I am going to refer very briefly to Motion No. 29. Essentially this motion of my colleague is attempting to deal with the situation that has been outstanding for nearly a decade. For nine years the committee on scrutiny of regulations has criticized the appeal procedures, the investigation procedures of the Public Service Commission. In reports to this House, it has recommended regulations that would ensure fairness and due process in appeals held by the Public Service Commission. For nine years the Public Service Commission has stalled on implementing those regulations for whatever reason I do not know, but I have seen horrifying examples of people denied due process to even know the information on which their appeal should be considered to have an opportunity to respond and to have time to prepare their case.

This very comprehensive motion from my colleague is intended to finally get this House to take action if the Public Service Commission will not, despite unanimous reports from an all-party committee to this House on numerous occasions.

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I would like to say just a few words to address some of the very legitimate concerns expressed by the member for Ottawa West.

On Motion No. 27 in particular, we have legal counsel which indicated that removal of this section in its entirety could effectively remove any right to appeal. There is also corrective action and obviously this is not what is being sought.

On the lay-off rights of term employees, it is a fact that the provision in the bill that denies lay-off rights to term employees is intended to protect the continuing employment of career public servants. The term employees by definition are hired for specified periods and should have no expectation of continuing employment in the Public Service. That is what the definition is all about.

They have been excluded from lay-off rights since 1977. For example in some cases, term employees are hired for recurring periods of more than one year in one job. This often occurs precisely because the ongoing nature of the work is in doubt. Term employees are hired specifically in order that no commitment to indeterminate employment be made.

On accountability to Parliament, in particular the Public Service Commission and all its annual reports on all matters related to staffing and other matters within its jurisdiction, the President of the Treasury Board reports specifically on employment equity as required under the Financial Administration Act. The President of the Treasury Board is also answerable to Parliament. The head of the Public Service, the Clerk, reports annually to the Prime Minister on the state of the Public Service and the report is brought to Parliament. The various acts place many obligations on the agencies which are answerable to Parliament.

The accountability is there. The hon. member should find some comfort in that.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I am pleased that I got to make my speech after hearing the rather feeble attempts of the minister to explain away these amendments. Frankly, he has ignored the point of the amendments. I urge him to get his legal advisers in the lobby and speak to them again because they are getting him in a position where he is getting himself in difficulty in the House. First of all, he said that Motion No. 27 moved by my colleague will take away a right of appeal. The right of appeal is granted by subsection 21(1) already. It is not taking it away. What it deals with is appeals from decisions of boards appointed under subsection 21(1) which deal with the appeal. They are saying that those boards' appeals can only be appealed on the ground that the measures taken did not

result in the selection for appointment according to merit. In other words, this section that my colleague has moved to be deleted takes away the restriction on the kind of appeals that can be launched. For him to suggest that his legal advisers have told him that this takes away the right of appeal altogether, as I say, his legal advisers are giving him bum advice and I would suggest he replace them quickly.

• (1210)

Second, Motion No. 29 which I have moved is in response to very specific recommendations made by a joint parliamentary committee of the Senate and the House of Commons. I do not have a copy of the report here with me, but the report was made in either 1986 or 1987, and possibly as late as 1988. There was a request for a response from the Public Service Commission and that response was tabled in this House immediately before the election in 1988. I think it was the last day of the session. That is how responsive the Public Service Commission is to reports and how accountable it is to this House and to the Senate. There was no opportunity for any input by this House on that report before the election was called.

Basically what the Public Service Commission told the standing joint committee to do was "get stuffed". I do not agree with that kind of accountability, and neither should the minister. He should either insist that the Public Service Commission comply with the report of the committee, to whom it is responsible, or get out of office. Its members are obviously unfit to hold office in the Public Service Commission if they think they can continually thumb their nose at a parliamentary committee when they are charged under their act of being responsible to Parliament.

This committee was acting as the agent of this House and of the Senate. It was a joint appointment, it was a unanimous report of that committee, and the Public Service Commission in effect said to the committee: "We don't care what you think, we know better. We know that public servants don't need rights when they launch appeals. We know that we can allow the Public Service Commission, us, to decide what they should see and what they should not see when they launch an appeal. We will decide, for example, that they won't see any reports made in respect of their candidacy. We will decide whether information regarding the status of the candidate in the competition should be seen by the appellant". That is the position the commission is taking.

No other public body exercises such Draconian jurisdiction over appellants before it. Under our rules of natural justice, an appellant would do better than they do before the Public Service Commission. Appellants are put through the hoops, they are told they are not allowed to see material that in any other public board they would be allowed to see as part of the appeal process. I invite the minister, who really is impartial in this—this is a dispute between the commission and Parliament—to look at these amendments again and ask if these amendments are not acceptable. Why should we not require the Public Service Commission to disclose these facts to appellants so that they can properly prepare themselves for an appeal? That is all this is asking for.

The minister surely has no interest in the outcome of this as long as the thing is conducted fairly. As minister, it is his duty to see that the hearing is conducted in a fair manner for all parties concerned. Surely it is fair that an appellant have access to the books and records that the commission has when he or she is launching an appeal. Surely those records should be made available. This amendment requires that. That is all it requires.

The minister, as the Queen's representative and as the Queen's adviser, must recognize that the Queen as fountainhead of all justice in our country and under our Constitution must be seen to act fairly and justly to all her subjects including those who make an appeal to the Public Service Commission because they feel they have been unfairly treated in the selection process.

I know that the President of the Treasury Board is an eminently fair man. He would not want to see Her Majesty's subjects deprived of any rights they should be able to exercise. This amendment only clarifies those rights, strengthens those rights, and in fact gives them rights which a hard-nosed and frankly irresponsible Public Service Commission refuses to give by regulation to these people. It says we will make the decision on an individual and *ad hoc* basis. It is not good enough and the minister knows it is not good enough. As a minister who has some interest in justice and fairness on behalf of the Queen and on behalf of all his colleagues in the cabinet,

he will want to see that this kind of amendment is put forward.

I see the Minister of Labour is here today. He knows that in appeals to the Canada Labour Relations Board, this kind of manifest unfairness would not be permitted. The rules of the labour board are quite specific. They grant rights to the parties before the board to see the documentation.

He would be shocked, horrified, if he went to the Public Service Commission and found out how much of this information is withheld by the commission. He would be equally shocked if he had read the report of the standing joint committee of the Senate and House of Commons which studied the issue and made specific recommendations for amendments exactly along the lines I have included in this amendment. He would be doubly shocked if he had heard the response of the Public Service Commission saying they knew better than the committee and would ignore the committee. He would not tolerate this.

Surely he can implore his colleague, the President of the Treasury Board, to come up with something a little fairer and agree to this amendment.

Let us see what it is that is proposed in the amendment.

> (3) Where a person makes a request pursuant to subsection (1) the commission shall
>
> (a) where requested, give the person an opportunity to be heard before the Commission renders its opinion;
>
> (b) give written notice of its opinion within thirty days of the request for an opinion,—

Imagine having to give your opinion in writing. The Public Service Commission does not think it has to do that.

> —unless it is unable to do so, in which case it shall notify the person, in writing, of the reasons for its inability to render an opinion and the date by which it will do so; and
>
> (c) set out in the notice referred to in paragraph (b), the reasons for its opinion.

In other words it is only expecting what is fair and reasonable and just, natural justice.

Because the Public Service Commission has been so reluctant to agree to abide by the rules of natural justice, in fact has ignored them in many cases, we have sought, as the standing joint committee did, to spell out those rules in writing in the statute. They will not do it by regulation. We as the House of Commons and Senate can do it by statute. Because this Public Service is so unresponsive to Parliament and to the requests of its committees I suggest we do it by act of Parliament, that we include this provision in the bill.

The minister would not want to see these people treated unfairly. I know that. I urge him to speak to his legal advisers again and see if they do not agree that this is a fair and reasonable recommendation. Do not speak to the legal advisers for the Public Service Commission. Speak to the people in the Department of Justice that do not have a vested interest in the outcome of this matter. Let us see if this cannot be agreed to as part of the proposition put forward as a reasonable proposition in this bill and agreed to today in this House.

I invite the minister to support this amendment and let us get on with it.

The Acting Speaker (Mr. Paproski): This is group six, Motion No. 27, which will be voted upon separately, Motion No. 29 by Mr. Milliken will be voted upon separately, and Motion No. 31 will be voted upon separately.

The first question is on Motion No. 27. Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Mr. Paproski): All those opposed 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), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 29. Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Mr. Paproski): All those opposed 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), a recorded division on the proposed motion stands deferred.

• (1220)

The next question is on Motion No. 31. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 76(8), the division on the proposed motion stands deferred.

Next is group No. 7. It consists of Motion No. 33, Mr. Riis; Motions Nos. 34, 36, 38, and 40, Mrs. Catterall; Motion No. 42, Mr. Milliken; Motion No., 43 Mrs. Catterall. Motion No. 33 will be voted on separately. Motion No. 34, if carried, obviates a vote on No. 36, if negatived, it must be voted on. Motion No. 38 is to be voted on separately; Motion No. 40 is to be voted on separately; Motion No. 42 is to be voted on separately; Motion No. 43 is to be voted on separately.

Ms. Joy Langan (for Mr. Riis) moved:

Motion No. 33

That Bill C–26 be amended in Clause 22 by adding immediately after line 14 at page 12 the following:

"(2) In applying subsection (1) Treasury Board shall, in the deployment of an employee, include in its direction the following factors:

(*a*) the need to develop the employee through additional work experience;

(*b*) the demonstrated need to fill a vacancy on an immediate basis;

(*c*) the demonstrated needs of both the employee and management and;

(*d*) compassionate grounds."

Mrs. Marlene Catterall (Ottawa West) moved:

Motion No. 34

That Bill C–26 be amended in Clause 22 by striking out lines 27 to 32 at page 12 and substituting the following therefor:

"such period as the Treasury Board may provide for, complain to the deputy head concerned."

Motion No. 36

That Bill C–26 be amended in Clause 22 by striking out line 32 at page 12 and substituting the following therefor:

"authority, or constituted an appointment under the jurisdiction of the Public Service Commission."

Motion No. 38

That Bill C–26 be amended in Clause 22 by striking out lines 35 and 36 at page 12 and lines 1 and 2 at page 13 and substituting the following therefor:

"who is in the executive group."

Motion No. 40

That Bill C–26 be amended in Clause 22 by adding immediately after line 10 at page 13 the following:

"(4) The deputy head shall, within 90 days of the date on which a complaint is made, inform the employee of the decision of the deputy head concerning the complaint."

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

Motion No. 42

That Bill C–26 be amended in Clause 22

(*a*) by adding immediately after line 21 at page 13 the following:

"(2) The deputy head shall on request by an employee who lodged a complaint under subsection 34.3(1) disclose to the employee the information on which the deputy head based the deployment in respect of which the complaint was given.";

(*b*) by adding immediately after line 39 at page 13 the following:

"(5) Subsections 21.3(4) to (6) apply with necessary modifications to an investigator designated pursuant to subsection 34.4(2)."

Mrs. Marlene Catterall (Ottawa West) moved:

Motion No. 43

That Bill C–26 be amended in Clause 22 by striking out line 7 at page 14 and substituting the following therefor:

"11 to 19, 21 and 22, 38, 42 and 43 do not apply in".

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, it is important when we are looking at these motions and particularly Motion No. 33 to appreciate the fact that the ability of the department to deploy workers is another central component to Bill C–26. Because the government is seeking the ability to lay–off workers by contracting out their jobs, it has moved yet again to get around a ruling of the courts by changing the powers of managers to deploy or transfer workers.

The government is seeking to add flexibility to the process of moving workers within and through various classifications, but it is doing so in such a way that it violates the merit principle and the rights of the workers.

Again we see in this clause the principle that if you circumvent the law and get caught, you change the law. It is as simple as that. That is the attitude of this government. What it is planning through this clause and the reason we have moved this motion, is the unfettered right to deploy workers as in the instance of the modification of the merit principle. It would allow managers to groom their favourites by appointing them to positions which would give them an advantage not available to other workers.

Combine that with the new classification system envisioned by the PS 2000 task force and this right to deploy means that a great many workers will be seen simply as movable pieces in a huge puzzle, being moved without competition or right of appeal. Just envision a huge chess board with workers in the public sector on that board and being moved strategically at the will of the game player but with no say about where, when or how one is moved.

The assurances of government spokespersons, and I am sure we will hear from the minister following my speech—

Mr. Milliken: Do not count on it.

Ms. Langan: I would be just as pleased if he did not respond, but I suspect he does not agree with me on this issue.

The assurances of the government spokespersons before the committee that workers would only be deployed with their agreement rings very hollow. All sorts of means of coercion can be used, and no doubt will be used, to encourage workers to accept deployments.

If anybody is unclear about what deployments are, deployments mean employees are moved from one position to another. It means they could be moving from Quebec to Alberta. It means they could be moving from British Columbia to Ottawa. It means they could be moving from Ottawa to Newfoundland. That is what deployment means. It also means that they could be moving within departments.

Mr. Milliken: Or from the government bench to the opposition bench.

Ms. Langan: Yes, there would be quite a shuffle with the government moving to the third party and the New Democrats becoming government and the Liberals remaining where they are.

I do not want to trivialize this very important part of the legislation by getting into an exchange with my colleagues. It is absolutely critical that more than ever the career–passive employees in the government service will be subject to the discretion of managers. The manager will decide who gets deployed where and because of this clause in the legislation the worker will have to accept a deployment.

The minister tells us that is not true. The minister will say that it is up to the employee who has the right to say no. Then what happens? There is no provision in the future for protection for the workers, so the worker says no. Does he or she ever get promoted again? Probably not. When he or she finds a position where the deployment would be useful to his or her career path, does that worker have the opportunity to ask for or move to deployment? The worker may have the opportunity to

ask for it, but will he or she get it? Probably not, depending on the manager.

We have ourselves a situation where it is one more opportunity for there to be disagreement between a worker and the employer and the employee to be penalized.

No one here wants to hinder the effective and efficient functioning of the Public Service, but if the ability of managers to deploy workers in order to enhance the delivery of programs and services is desired, this must be done with appropriate safeguards.

Therefore, this amendment recognizes that a deployment mechanism can assist, not hinder, the effective functioning of the Public Service. However, it must be done within the guidelines explicitly spelled out in the act. Deployments must be made to the benefit of the worker and the demonstrated needs, not the wilful needs, of the department or agency.

I have illustrated how critical it is that the government agree to Motion No. 33. I am sure the minister, being a reasonable and thoughtful man, having listened to me carefully, will consider the motion as being fair and reasonable.

I would like to touch on another of the motions we are covering in this grouping, and that is Motion No. 34. The motion expands the grounds under which a worker can appeal a deployment. That is very critical, building on what I said before about the ability of managers to have discretion to act upon favouritism, to not like a worker for one reason or another and, because we are all human, let that interfere with his or her operation of a work place. It is very critical we have those expanded grounds upon which a person can appeal a deployment.

• (1230)

There must be a wide-ranging ability to appeal without these restrictions in the legislation. I am not denigrating management in the Public Service, but we have documented instances of managers who have been misguided, for whatever reason. It is absolutely critical to safeguard and even avoid having managers tempted to practise favouritism. All of the amendments in this section should be passed.

I would urge the minister to support both my amendment and the Liberal amendments under the section of deployment. We all know he is a fair and reasonable man and will look at these amendments very carefully.

Mr. Doug Fee (Red Deer): Mr. Speaker, I would like to assure the hon. member that not only is the minister fair and reasonable, but so are several of the other members on this side.

I had the privilege, earlier this year, of spending many hours in committee with the hon. member who has just spoken. We did not agree on the process nor on the final result of how we wanted to accomplish something, but we did agree on many things. We agreed we have a good civil service in Canada and we want the best possible people working in it.

There were debates from time to time, and one of my concerns was that when someone goes into management, he automatically loses all of the advantages and strengths he had as an employee. I do not think we can automatically say all employees are good and all managers are bad.

I want to go on the record as saying I know very many people who work for the federal civil service. They are good, hard-working, dedicated people. I know a lot of managers in our civil service who are also good, competent, qualified people.

I can draw an analogy to our position here. I have a teenage son who told me prior to my being elected everyone thought I was the perfect person for the job. I was approachable, hard working and dedicated. Immediately after my election I became a politician. I was associated with politicians and that attributed certain motives to me I did not necessarily have.

We have to be very careful when we are talking about the civil service that we do not ascribe motives to them they do not have. We have to recognize we have good, competent, qualified people working at all levels of our federal civil service. There may be one or two bad apples in the barrel, but we should not paint them all with the same brush.

We are talking about deployment. The hon. member who just spoke asked the minister to be reasonable. I think the bill and what is presented in it is reasonable.

Bill C-26 proposes that deputy heads be given statutory authority to deploy their employees, subject of course

to direction from the Treasury Board, to ensure service-wide considerations are taken into account. With the changes in the bill, deputy heads are going to have more flexibility to move employees to new positions with their consent. That is an order to the operational requirements, to encourage career development and provide compassionate grounds. I am sure the hon. member would agree these are all valid and worth while reasons.

Deployment is not a new concept. It is very similar to what most public servants know as lateral transfers. In 1991 alone there were some 25,000 lateral transfers in the Public Service. They amounted to more than 25 per cent of all internal appointments. It is a widely used staffing tool.

However, with the proposals there are some significant differences.

Unlike lateral transfers, deployments will not be appointments made by the Public Service Commission, but will result from decisions made by deputy heads with an employee's agreement.

This will enable deputies to move employees quickly for many reasons, including changing priorities or workloads; employee career interests and aspirations; the future requirements of the department for certain skills which can be developed in-house; the developmental needs of employment equity group members and the need to address unique situations compassionately.

For example, we may have a requirement to move an employee to be near special medical facilities. These are realities Public Service managers face every day, yet under the current legislation it is difficult to address them. The changes in this bill will give them that authority.

With deployment, the government is providing managers with a flexible staffing tool to allow them to move their employees quickly and efficiently as required. At the same time it ensures the very legitimate interests of employees are taken into consideration. Thus there is provision for employees to give consent to a deployment, and there is a recourse process which provides for independent review of the deployment consideration and decision.

Indeed, this balance is a key feature of much of what the government is proposing in Bill C-26 with management flexibility on the one hand balanced with consideration for employee concerns on the other.

During the committee hearings on Bill C-26, there was a good deal of discussion by witnesses and committee members about some of the features of deployment being proposed. I want to take just a few moments to address some of them.

Concerns were expressed that in making deployment, the deputy head will not be required to make a selection according to merit. This does not mean deputy heads can or will deploy incompetent persons as some witnesses suggested.

We must remember, an employee being deployed has already been qualified by the Public Service Commission for that particular level of responsibility. Little is gained by requiring a complete re-examination of the employee's qualifications or requiring him or her to be compared again to all other potential candidates.

In making their selections for deployment, deputy heads will not be required to apply all the prescriptive and procedural rules of the Public Service employment that apply to appointments.

May I remind hon. members we are not speaking here about recruitment or promotional appointments, which will continue to require selection according to merit. What about jobs at the same level with essentially the same or similar salary, benefits, conditions and duties?

We need to remember public service managers are under increasing pressure to improve the quality and volume of services they provide to the public. They are being asked to do this with increasingly tight resources and have up until now responded very well to that challenge. Managers know full well they cannot improve services without competent and well-trained employees.

The deployment provisions of Bill C-26 will allow employees to benefit from new experiences and give them the opportunity to gain new skills and training. This is critical to maintaining the professional and high quality federal Public Service we are striving to maintain.

Another major concern expressed by some of the witnesses was the view that some public service managers will use the deployment authority to arbitrarily move employees, favour friends and harass enemies. Their solution is statutory provisions to regulate the manager's behaviour and decision making.

I cannot support that view, nor would my colleagues I am sure. Public service managers as a group are not arbitrary. They are not unfair and do not lack good judgment. There may be mistakes made, but in an organization as large as ours with 218,000 employees and some 100,000 staffing positions a year, mistakes are inevitable.

That is what the recourse process is designed to find and resolve. That is why the Treasury Board will monitor and audit departmental deployment activities. The solution is not to limit the scope of action and flexibility of all managers for the sake of a relatively few mistakes that will be made.

The solution is not to tie the hands of managers and limit completely their authority to respond to organizational requirements. Rather, we need to ensure managers are well trained and understand the principles and values that should guide deployment decisions. We need to correct errors when they occur, and hold managers accountable for their decisions.

I have mentioned that deployment is not a new concept. It is commonly used in many jurisdictions. For many years in the Public Service, transfers or deployments, as they are now called, were treated as simple, routine, administrative matters. This did not appear to cause any great difficulty or concern.

• (1240)

With this flexibility, Canada managed to build a Public Service acknowledged to be one of the best in the world.

Let us continue to achieve this level of professionalism and competence. It is in the interest of all Canadians.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, the amendment I moved is part of this group of amendments and is similar to the one I moved before.

I was delighted to hear the hon. member for Red Deer's speech. I listened to it quite closely. I am prepared to concede many of the points in his speech. I am prepared to concede, for the purposes of my arguments today, that what the government is doing by making this transfer of powers to managers in the Public Service may be satisfactory. Let us assume for this purpose it is.

It is still fair, and he must agree it would be fair if there is a problem, if there is an appeal from a decision one of these managers has made, the person hearing the appeal ought to ensure the hearing is conducted in a fair and reasonable way. My amendment seeks to ensure that fact.

My amendment does not interfere with the discretion of the persons making the decisions on transfers and so on. It ensures that when there is an appeal from a decision that has been made, the appeal is conducted in a fair way.

Unfortunately, I suspect my amendment is in trouble. Given the voice vote we had awhile ago, I sense the government is going to vote against my earlier amendment. The new amendment we are debating now, No. 42, is contingent on that earlier one passing. If it gets defeated, the meaning of my subsequent amendment will be lost.

This amendment seeks to import to the appeal process, in the case of deployments, the same rules that should apply in the case of appointments. The rules I have recommended are not ones I thought up myself. I do not claim credit of authorship. These rules were drafted by an all-party committee of both Houses of Parliament on which members opposite had a majority. The members of that committee agreed there were fair and reasonable means of requiring disclosure and conducting a hearing. That is what the committee thought up.

The committee was composed of all parties, but was dominated by Conservatives. In other words, the President of the Treasury Board's own colleagues all agreed these kinds of measures were appropriate and recommended them to the Public Service Commission.

I see he is here and has not yet moved to speak on these rules. My last speech did not even provoke him to any comment. He simply hung behind the comments of his legal advisors. I hoped he was going to stand up and tell us he had fired them already because they clearly have given him bad advice. I would not take their advice on an issue like this if they gave me the advice he cited earlier. Maybe he misrepresented what they said, I do

not know. If he did not, it was terrible advice and he should stand up and agree that the amendments proposed here are all in accordance with the rules of natural justice. There is nothing shocking. There is nothing earth shattering in anything that was proposed in that list of amendments the board might reasonably ensure appellants have in their hands when they do an appeal. In fact, all of them have been recommended by a standing joint committee of the Senate and the House of Commons.

I should also say the committee that made this unanimous recommendation did it before the last election in 1988. The representation of the opposition on those committees must have been miniscule, because the government had such a huge majority in this House. Three-quarters of the members of the committee must have been its own backbenchers. I do not understand why it would ignore the wishes of its own party members.

The hon. member for Red Deer says there are lots of reasonable people on his side of the House. Let us see them show their reason and stand up and support these amendments on the vote. Let us see some evidence of reason. It is fine to stand up and make pious speeches that must have been written by somebody working for the minister or in the department of the Treasury Board because it was so one-sided.

Let us assume the member believed every word he uttered. I am quite prepared to believe that. Then let us have them show some reason. The easy way to do that is to support these very reasonable amendments. He could either go to the minister and urge the minister to repent and change his view and support these things, or stand up on his own with his colleagues, the group of them that he says are so reasonable over there, and show their reason and support these amendments. Let us vote them through, fix this bill, and generally treat our public servants fairly.

Surely he would agree that if the deployment is to take place, the person making the decision has to act reasonably. If there is an appeal and it is shown that the person has acted unreasonably, the decision can be overturned. The appeal process is already there. What the amendments seek to do is ensure that the appeal is conducted in a fair and reasonable way. Certainly he must agree that that is a reasonable way to start. Surely he does not think the person making the decision on the appeal should behave arbitrarily or should deprive the person making the appeal of information that the person reasonably needs to proceed with the appeal. Surely he does not think that.

He, I accept, might be like the minister, fair and reasonable. Yet the minister will not respond to these amendments in a meaningful way. He tells us that his legal advisers think that they are unnecessary, or that they take away rights.

I say to the hon. member: read the amendments. I do not know whether the hon. member is a lawyer or not, but he can read this and I am sure that he would disagree with the advice that the minister has been given. Even a layman can see that these do not take away rights. They give rights, that is what they are here for.

I invite the minister to reconsider, if not fully repent of his position, accept these amendments and let us improve this bill. Let us not sit here and say there is no room for improvement any more, because that is what the minister and his so-called reasonable colleagues at the back are saying.

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, this bill is a basic change in the philosophy of government relative to the Public Service. It is a move from service to the public to something which is maybe closer to no service unless you can find the right place to get that service.

I speak this way because I find, as my colleague from Trinity—Spadina indicated earlier, that in several of the departments across the country action has already been taken to move people to change the structure of the civil service so that those parts of the country which are being most affected will not get the kind of service they had in the past.

The example used by my colleague from Trinity—Spadina was immigration. We have been told that there is going to be a change in the immigration structure, that instead of having people dealing with people, in the future the department of immigration will have a mail-in service for application, a reply by mail, or a 1-800 number which will get you not a person, but an answering service and it will indicate that if you want an application to press number 3 and there are no people so there is no use pressing number 8.

In each case what is being attempted is to move the whole of the civil service away from dealing with people and move it closer, as the minister says, to a modern method of management which has no people in it. Service to the public of Canada has been by a civil service that has been well trained and well motivated to provide that service.

What this and the ability of these particular motions do—and I hope they work well and that they accept the amendments—is to give the government the power to deploy people so that they can close down places like Prince Albert which has an immigration centre, Saskatoon which has an immigration centre, Regina which has an immigration centre. These will be closed down. If you want some service you will go to three places: Vancouver, Toronto or Montreal. Otherwise the service will not be available under any circumstances.

• (1250)

If you or one of your constituents wants to sponsor an immigrant, they call the 800 number, find out where to get an application, send in the application and then it will be sent back because it was not filled in properly because there was nobody around to help or to indicate how to fill it in.

All of these services which have been part of the great civil service of Canada, the service that has been provided to the Canadian people, are being eliminated gradually and in these particular clauses—let us hope they work well—is an opportunity or a method by which the government can close down certain departments or parts of departments in different parts of the country.

Mr. Milliken: Come to Ontario and see what they are doing there.

Mr. Hovdebo: The further I can stay away from Toronto the better and Ottawa is not so good either.

I believe the member for Gander—Grand Falls indicated it took a long time to get any kind of service in certain areas. If you eliminate the people in these areas it is going to take longer still.

If the member wants a good example he should try the process of getting a pension through veterans affairs. To go through all six stages of the process of getting a veterans affairs pension takes an average of six years. That means some of them take much longer than that and by that time the veteran has passed on so you do not have to worry about it.

The more we depend upon machines and the less we depend upon people to give us the kind of service we want, the longer it is going to take and the more ineffective—I am not going to say less efficient—but the less effective it is going to be.

The ability in these particular clauses which allow the government to deploy people from one area to another, to move people without necessarily taking into account the wishes of the employee allows it to do things with the civil service which will give less efficient, less effective and less valuable service to the people of Canada.

[*Translation*]

Mr. Eugène Bellemare (Carleton—Gloucester): Mr. Speaker, I am pleased to speak today on a bill that greatly affects Canadians and especially residents of the national capital region, in particular my constituents in Carleton—Gloucester.

As we well know, the Public Service has more than 220,000 employees in all throughout Canada. A common misunderstanding, though, is that all public servants live here in the national capital region, although we know very well that maybe 25 to 27 per cent of them are in the national capital region, but most public servants are spread all across the country according to local needs. Their number in any province is generally more or less proportional to that province's share of the total population.

As we say on both sides of this House, our public servants do an outstanding job. Public servants are there to implement the laws of the land. Public servants are there to ensure that the laws passed by the Parliament of Canada are applied and enforced. Public servants are there to serve the community, to serve Canadians, to make our quality of life better all the time.

The last time the laws affecting the federal Public Service were thoroughly examined was in 1967. We now have a new bill. I congratulate the President of the Treasury Board on presenting a very worth while bill to improve the operation of the Public Service. I was pleased and honoured to be on the committee that studied the bill. For weeks and even months, we studied this bill clause by clause. The bill is a good idea. It goes in the right direction. However, at some point one would think that the Public Service should be treated like a private enterprise, according to what the government says.

I sincerely believe that public servants are really different from workers in private industry. Government does not operate in the same way as private industry. Private industry must not only provide a service to the public but it must also make a profit. The public service, that is the government, is there to serve the community. We must help the community. Sometimes we also need regulations to ensure that things are done correctly. That is the case, for example, with inspections.

Nevertheless, even with all the esteem I have for the President of the Treasury Board, I believe that he is making a monumental mistake by not listening to the opposition members who proposed some real amendments to the bill.

I was surprised to see that the minister refused or turned a deaf ear to the suggestions and comments of my colleague from Kingston and the Islands, who challenged him, saying that he thinks some laws—and I recognize the member from Kingston and the Islands as a legal authority. We know that he was a lawyer of high standing in Kingston. He challenged the President of the Treasury Board by saying that his bill contained serious legal errors in the amendments it proposed. This does not go against the comments and statements the minister received from lawyers in his own department or from other government departments.

I was surprised to see the President of the Treasury Board, who is usually not at a loss for words, remain silent when challenged by my colleague.

We talk about deployment. In general, it is a good idea. I am sure that some public servants want a deployment. It opens new horizons for them and public servants want to serve the public. They are good public servants in the proper sense of the word who sometimes want transfers so that they can better serve Canadians or perhaps they find new employment opportunities that are interesting and meet their aspirations.

• (1300)

We often see managers who are keen on having a terrific team. That is worth while, putting together a team that is effective and efficient in the way it provides services to the public. Managers who always try to have a terrific team are to be commended. In fact, most people are like that. I am sure that our Public Service will keep improving, if this attitude or culture is encouraged. However, if a manager has the right to be authoritarian in the case of deployment and can ignore eligibility criteria and people's qualifications and bilingualism, for instance or merit, there is always a risk of abuse. That is why I deplore the fact that the President of the Treasury Board will not listen to the suggestions made by the Liberal Party.

Our amendments are intended to prevent abuse, favouritism, nepotism and prejudice of a linguistic, racial or even sexual nature. For instance, a male manager might not want any female employees because he is prejudiced against women. Occasionally, married women who have children leave their jobs for a certain period, which may not be well received by certain managers, and I would call this prejudice on their part.

With this mechanism an employee would be able to protest and appeal in the case of unfair deployment arising from favouritism, nepotism or prejudice. We need a mechanism to protect public servants against managers or rather certain managers—fortunately they are a minority—who occasionally tend towards favouritism, nepotism or, as I said before, prejudice of a linguistic, racial or sexual nature.

In concluding, I would ask the President of the Treasury Board to respond to my colleague's challenge.

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I would first like to say to both the member for Carleton—Gloucester and the member for Kingston and the Islands that there is no disagreement on the objectives for equity, fairness and sound management. What I would tell them to begin with on transfers is this: The reason that I was slow to speak up or less spontaneous, perhaps, is that this issue was debated at length, inside and out, I believe, for hours on end in committee meetings and that all those points which were raised were covered in extensive major discussions.

What I have some difficulty with is that since there may be abuses, which I do not deny, we should not, for fear of abuses or improprieties, make the system rigid. We should try to find a way to address the legitimate concerns of my colleagues opposite, but perhaps in a more flexible way. I would say, for example, that Motion No. 33 now being debated would require Treasury Board

to include in the act valid reasons for transfers in the directives addressed to deputy heads.

Obviously, when Treasury Board sets personnel policies, it specifies the objectives being pursued. Of course, it will take care to tell managers that they can transfer employees for professional development, for operational reasons or for humanitarian reasons as someone mentioned. I believe that in his question, the hon. member for Carleton—Gloucester said that someone might want to move an employee closer to a certain place for health reasons, for example.

These are the same reasons as appear in the amendment. If the circumstances are defined and limited in the law, it could be difficult in future to add other equally legitimate circumstances, even if all parties agree. I believe that it is easier to do that in a policy than in legislation.

For example, in practice, we do not have a very good idea of what such an amendment would do. What does it mean? What does desmonstrated needs of the employee and management mean? How can such needs be demonstrated and to whom does one demonstrate them? Since employees must agree to these transfers, in my opinion, that is the best guarantee that the need is demonstrated.

Personally, I have no quarrel with my colleagues opposite on the objectives being pursued, but I may disagree on the means to reach them, so as not to make the system unnecessarily more cumbersome in an attempt to make it safe from any abuse. I do not want the system to be rigid and prevent the rest of the government apparatus from functioning better.

I believe that both objectives can be reconciled in a more flexible way and that is what we are trying to do in Bill C-26.

[*English*]

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I too want to suggest to the minister that we are not trying to be confrontational, we are trying to bring to his attention some of the experiences we are having as members of Parliament when we are dealing on the front lines day to day with people who come to our offices. Many of the cases or problems we receive in our offices are a result of our constituents not being able to work through or with the various departments or the Public Service itself.

Right now the morale of the Public Service is very low. It is very low for a number of reasons. The relationship between the Public Service and the Government of Canada in the last few years has not been that great.

During a very difficult economic period the resources of the Public Service are called on even more intensely. When our constituents are meeting with public servants whose morale is low, whether it is because they do not have enough man-years or their superiors are not motivating them or treating them properly, it all of a sudden creates a frustration in the way they serve the public. We as members of Parliament are the net beneficiaries of that frustration.

If we are attempting to lift confidence and help those people who are in the most difficulty—that is what the Public Service is there for, to help those who are in most difficulty—then it seems to me that the very asset, the human capital is not showing the kind of goodwill or respect that we could be showing. We must try to motivate its quality of service and its attitude of caring and approachableness because it touches all of the people of Canada in a way that ultimately is a reflection on us.

• (1310)

I do not think it is really an issue of whether one is a Liberal, Conservative or NDP. When people go into a Government of Canada office and they do not feel they are being looked after properly by the bureaucracy or by the public servants, when they come into my office they do not say: "That darned Public Service is PC or Liberal", they hold me as much responsible for poor service by the bureaucracy as they do the Government of Canada.

It is incumbent upon us on this side of the House to suggest that there are things in the government's actions and the way it is restructuring the Public Service that is not lifting the morale of the Public Service. Ultimately this has an effect on the service to the public in every

department and in every region of this country. I cannot imagine a member in this House who does not share this view. It does not matter what department.

In my own community a day does not pass when we do not have people coming to our offices talking about the fact that the department of immigration just does not seem to have the resources to cope with the demands. The department of employment there does not seem to have enough public service support to meet the demand. In the areas related to manpower retraining, public servants with all the goodwill, all the best intentions are pulling out their hair because this government has an attitude.

Did I understand the minister earlier when he mentioned units of labour. Is that the way he quantifies service to the public? A person may come in with a problem and may be there for five or ten minutes. The next person may have a difficulty that takes a public servant an hour or two hours to solve. When we are interacting on problems that are highly personal and we are dealing on a case by case basis, there should not be a clock sitting on the public servant's desk so that he has to think he has to pass so many units through his shop in a particular hour or day.

Our Public Service was the envy of the world for many, many years because of its commitment to caring and quality of service. At one time it was an honour and a privilege to be a member of the Public Service of Canada. When Treasury Board wants to cut the man-years in this section and cut the man-years in another department, it defeats the whole purpose of what our Public Service is supposed to be about because it just takes the heart and soul out of the job.

My message to the government is that it has a very important tool in the public servants of Canada. They are the frontline ambassadors in all the various departments of government. They are the people who on a day to day basis represent the implementation of the legislation that we pass. They can have an effect on the attitudes of people toward the legislation, toward the job we are doing. Right now I think the Government of Canada is not using that instrument to mobilize a positive spirit in this country. I do not think it is respecting the potential for building a new sense of morale in this country. I would urge through you, Mr. Speaker, asking them once again to go back to their drawing board and try to show a little more spirit of goodwill and appreciation for the quality work they do when they are treated in a fair and equitable way.

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, it gives me great pleasure to say a few words on this legislation.

Yesterday I received a letter from an archivist who works at the National Research Council. I was amazed at what he said to me. I will get to that. One of the comments he made was that the more we change, the more we stay the same. He sent me a copy of a communiqué which was put out around 1942. The riding of Ottawa Centre used to be called the Ottawa West Liberal Association. I guess there was a Tory and then there was a Liberal.

This particular householder was put out by the Liberal candidate who at the time was attacking the government record. On one side of the householder they have the record of the government of which Dr. Manion was minister of railways and canals from 1930 to 1935. The other side of it had the Mackenzie King government record from 1935 to 1940, and the householder was comparing those records.

In the government record from 1930 to 1935, first they cut the salaries of the public servants by 10 per cent; second, they stopped promotions and increases; third, they dismissed or retired thousands of civil servants without adequate provision for their maintenance; fourth, they removed from office most of the deputy ministers within a short period; fifth, by such drastic measures they disrupted the morale of the service and created an atmosphere of mistrust and apprehension, which destroyed contentment and impaired efficiencies throughout all departments. This was in 1930 to 1935.

On the other hand, from 1935 to 1940, the householder goes on to state that the Mackenzie King government during those five years, one, restored full salaries; two, once again allowed usual promotions and reclassification for all cases; three, introduced the right of appeal for unsuccessful candidates and promotional competitions; four, re-employed large numbers of civil servants let out by the Right Hon. R. B. Bennett and the Hon. Dr. Manion; five, brought back to the service the sense of security lost under the Right Hon. R. B. Bennett and Hon. Dr. Manion and re-established normal morale and efficiencies in government offices.

How true, Mr. Speaker, as my constituent has indicated, that the more we change the more we stay the same.

Basically what was happening between 1930 and 1935 is no different than what has been happening from 1984 to 1992. First, the Public Service has been hit with a salary freeze. We have seen the largest walk–out ever in the history of our Public Service. They walked on Parliament Hill by the thousands. Promotions and increases, as we have seen, to a large extent stopped. There have been massive lay offs. The morale is at an all–time low. As well, in terms of promotions within the Public Service we have not seen many taking place over the past few years.

What needs to be done is for the government to look at all of those issues and try to address one of the most important problems that is now facing our Public Service and that is the issue of morale. The President of the Treasury Board had the chance to visit one of the symposiums at Lansdowne Park. I am sure he would agree with me that if anything he can be very, very proud of the quality of our public servants, the quality of work they do. I am sure he would also agree with me that we have the finest Public Service anywhere in the world.

• (1320)

One thing that was circulating everywhere I went within the Public Service was that there is some element of a morale problem, some element of mistrust, some element of disillusionment, an element of despair. They need leadership at the top which says: "Not only are you doing a good job, but we are going to give you the tools you need in order to continue doing such a good job".

The contracting out, the decentralization which the government has embarked on, the downsizing, as well as a lot of questions when it comes to the partnership between the employee and the employers, all have to be addressed a little more compassionately than the government has done in the past.

To that extent, it is my hope that the government will finally see the light regarding the amendments that my colleague from Ottawa West has put forward before the House of Commons and try to address them in a positive and comprehensive fashion.

Mr. Phillip Edmonston (Chambly): Mr. Speaker, I rise to speak on Motion No. 33 dealing with the amendment to clause 22. I would like to speak to that.

As you know, that concerns the right to deploy. Just to put it in its proper context for people who are watching and listening to us today, I think we should just give a general idea of what this concerns.

When we talk about the right to deploy, we are talking about the right for a department head or anyone who is in a position to do so to send a worker, a public servant, some place else to work in this country. I do not in any way wish to fetter the hands of the government to prevent the government from sending members of the Public Service elsewhere in this country to do their job. I think that is important, that we have to have a work force which is flexible, and the needs change throughout Canada. I think that is a reasonable assumption to make.

However, here it is giving the right to deployment which will affect a worker's entire life, I would say, his surroundings, his environment, when it may be something that may be no more than a whim of the person who has the authority to act.

Whether we are dealing with the Public Service or with any group in this country, I am always concerned when I see power that does not have sufficient constraints, power which can be abused. You have seen I am sure, as I have seen, where things are not specifically excluded, they are included. In fact, it is a rule of law that if something is not excluded, it is included. It can be done if there is not a specific condition that says it cannot be done.

Here, where we are dealing with the deployment of people, of workers, we are dealing with changing their life style, changing their neighbourhoods, changing schools, changing friendships. Many times these types of deployments can be carried out in a way that would have the effect of punishment, perhaps a punishing effect that may be wanted, that may be desired by whomever has this power, or it may be completely unintentional. But it is punishment in any case.

[*Translation*]

I want to point out that the power the government has under this bill to change a public employee's place of work is quite considerable. This power could be misused. I suggest that this clause we are debating, which deals with that form of abuse of power, does not afford enough protection to the people this legislation applies to. I am

referring to the public service employees. Some members opposite will say: "Phillip, there is nothing to worry about. It is no big deal. No way will an individual, a French-speaking employee, be deployed to Saskatchewan for instance, where everybody speaks English, or an English-speaking employee be deployed in Quebec, say in Chibougamau. That is not going to happen." But those things do happen. That is the problem I see with this bill, specifically clause 22, and Motion No. 33 which is designed to improve this provision. There is no protection against that kind of thing happening.

Usually I suggest relying on good old common sense. That is true. Usually we rely on the various directors using common sense so as not to put their subordinates through undue handships. But common sense does not always prevail in government, and I have supporting cases in point. I should pay this government a compliment. I have recently seen a case where good old common sense prevailed. Speaking of the Public Service, you know how the Official Languages Act is being defended, the protection that it is afforded across Canada. The public service employees are in fact at the forefront when it comes to really promoting English and French.

But a little while ago, I have noticed that, using their common sense, some public service employees decided it would serve no useful purpose to translate into French hundreds and hundreds of books like those containing the details on the frigates that were bought and built recently for the Canadian forces. They decided it was not necessary. Unfortunately, it was already done and we paid $100 million for a now useless translation. It is totally useless because when it was finally ready, all the data in these manuals on the frigates were obsolete. Worse still, French-speaking engineers and others who had to use the armed forces books in their work would rather use the English version because they felt more comfortable with the terminology.

After that, the Minister for National Defence appointed several persons—I think there were three from his department, including the much talented Ed Broadbent—to see if we could use some common sense when applying the Official Languages Act to avoid spending the taxpayers' money on translating everything. Astonishingly enough, a report published two days ago quotes armed forces' personnel as saying that the government could save a lot of money if it stopped translating every thing that moved in the Canadian Armed Forces. We should stick to what is essential.

Just think, Mr. Speaker. Had we done so five years ago, we would have saved $100 million translating technical manuals for the five fregates built in eastern Canada, and that is just one example.

• (1330)

I think common sense is what we need here, and by the way, I want to congratulate the government on its latest report on the use of official languages in the armed forces, because I think that is a good example. Without cutting a single job, without penalizing or punishing anyone, we could have saved $100 million.

That is why when I look at the bill before the House today, I say: Whoa, just a minute. Could we not use our common sense and put some kind of protection in this bill for employees who might be sent elsewhere in Canada on short notice and perhaps even without their consent? Even with their consent, when you work in the Public Service, do you really have a choice when your boss tells you: "Listen Phillip, they need you in Jonquière, and you have to move there with your family". I love Jonquière, and I like Chicoutimi and the Saguenay, but I have made my life in Montreal and my wife works there.

This bill must provide public servants with some protection against this kind of disruption in their lives, which will occur if they can be sent anywhere at all in Canada. If they are willing, there is no problem, but as I said before, do they really have a choice? There is always some pressure involved when people are asked to move, we assume, because of operational considerations.

Since the minister is in the House, I appreciate this opportunity to air this topic, because I know he is aware of my longstanding campaign for bonuses for members of the RCMP, who never received them although they were bilingual. Perhaps we should challenge the use of these bonuses today. I agree this is something that would bear reassessment. However, I think it is really unfortunate that members of the Royal Canadian Mounted Police did not get the bonus and received no help at all from the government. The case is now before the courts, so the government could show its goodwill. They already lost once before the Federal Court, which was very clear in its ruling. It said: "Listen, pay those people. You are

wrong and you ought to pay them". Now the case is before the Court of Appeal.

If it goes all the way to the Supreme Court, it will cost—

[*English*]

The Acting Speaker (Mr. Paproski): I regret the hon. member's time expired about one minute ago. The hon. member for Halifax.

Ms. Mary Clancy (Halifax): Mr. Speaker, growing up in Canada there are constants that some of us believe and put our faith in. I used to say half in jest and wholly in earnest that the three constants in my family were the Catholic church, the Liberal Party and the Montreal Canadiens. There was probably more truth than fiction in that.

On a serious note, and this bill is a very serious note, one of the things I think Canadians have always believed in and have always taken pride in is that we have and have had the best Public Service of any country in the industrialized world. That is not to say it is perfect. That is not to say things cannot go wrong. That is not to say things do not go wrong.

I think most of us, particularly those of us who were interested in the workings of government and the delivery of services to Canadian citizens through the Public Service, always felt that we could be proud of the Public Service of Canada. One of the reasons that we could be proud of the Public Service of Canada was because a happy work force is a productive work force. A very simple statement.

The problem with Bill C–26 is that it is going a fair way toward destroying that. Too many things have obviously happened already in the breakdown of relations between the workers and the governors. The abandonment of the merit principle which is what effectively is happening under Bill C–26 is possibly the most dangerous development, certainly with regard to the Public Service of Canada, that this government has brought forward.

The Federal Court of Canada in 1992 struck down the Order in Council giving the deputy ministers the freedom to transfer any employee because "it departs substantially from the merit principle". The judge said regarding one of the government's arguments that if he accepted that particular position: "I would be defeating the whole purpose of the Public Service Employment Act which is to ensure that appointments to the Public Service are made on the basis of merit".

What happens under Bill C–26? It allows managers to move employees to any other position within a level to any other location or any other department without regard to merit or other employees who may be equally or better qualified.

It is interesting that this bill should be up–to–date and that we should be at report stage today. It is interesting we are dealing with these amendments today. Since I became a member of this House four years ago—and I represent Halifax which is the third largest public service town in Canada after Ottawa and Montreal—I have heard a lot of complaints from public servants.

I have particularly heard a lot of complaints from women in the Public Service about a variety of matters. In most cases we were unable to take the matter further because the women out of a fear of reprisal, out of fear of what might happen did not wish to. I would say to them that they would have to allow me to do this if they wanted me to follow the matter up and they would say that no, they were not ready for that. I can understand that. I understand that feeling. It saddens me that that is perceived to be the case in Canada, that it is perceived to be the case in the Public Service of Canada.

As I say, it is particularly interesting that we are discussing the abandonment of the merit principle today because one week ago I met with two young women in my riding of Halifax who have had an exceptionally difficult time over the past year. Their allegations, which will be public before the end of the weekend, were on sexual harassment within the Public Service of Canada. When I asked these young women if they were prepared to go public they said: "Yes, what further can happen to us?"

In doing my job as their representative I have gone further and I have met today with senior officials in the Public Service of Canada. I have to say I was not very happy because there is a mood there, there is a response there in spite of the quite good Treasury Board guide-

lines with regard to sexual harassment. I said to one of these senior officials in the department: "Sir, you just do not get it. You just do not understand. There is clearly a gender gap in existence here and you do not see it. We have spoken now for one hour and you still do not understand. There is no point in my walking around this circle any longer".

• (1340)

I use this example because one way or another, the women in the Public Service and the women of Canada are going to ensure that managers, directors and ministers get it. The time when women will sit back and accept this kind of behaviour is over. At the same time, why is the government pandering to this kind of activity by allowing the abandonment of the merit principle? What is going to happen under this regime, under this theory of deployment to women who are being harassed, who are the subject of unfair treatment, whether sexual harassment or another form?

If managers have the right to abandon the merit principle, what recourse are they going to have? Today, in discussing with senior members of the Public Service of Canada the question of what sanctions would be brought forward to a founded charge of sexual harassment I got no response. There was no sanction. No sanction was intended and it was a founded charge.

If today there is no recourse when the merit principle, however tenuously, is still in existence, what in the name of Heaven will happen when the merit principle no longer exists? Where will these people go, whether it is women, minorities, francophones in the famous Trochu or anglophones in Quebec, whether it is Canadians of colour or of a different religious or ethnocultural background? Where will they go if the merit principle has been destroyed?

This is Canada. What are we on about here? What are we doing? How can we stand here in this House and advocate even for one minute this development in what was once a proud Public Service?

In greater Halifax–Dartmouth, there are 30,000 public servants and an awful lot of them are women. An awful lot of them work not in management, not as regional directors, not as executives within the Public Service but they are ordinary, everyday working people.

Mr. Speaker through you, I am speaking to the minister and beyond the minister, I am speaking to them. I am saying to those public servants in Halifax, in Ottawa and in Montreal, we on this side of the House may have made our mistakes but we believe in the merit principle. We believe that the merit principle is something that you, as the workers in the Public Service of Canada, should be able to hang your hats on.

We deplore a government that would abandon you. We deplore a government so bereft of principle that it throws away this one.

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I hasten to reassure the hon. member since she makes such a fuss about this that the merit principle is not disappearing. Let her rest assured that the best qualified person will continue to apply on recruitment and promotion. Once somebody has reached a certain level, with their consent they will be moved laterally. That is the flexibility needed in a modern civil service and it will allow women to have wider experience and have access to promotion. I assure the hon. member that she does not need to worry about that. The merit principle is still there for recruitment and promotion.

Apart from that, she seems to consider that managers in the Public Service are all monsters. I assure her that they are competent managers committed to their employees. They come from the civil service. Most of them are from the civil service. Why would they all of a sudden become such monsters? They were raised through the civil service and I do not accept that they are arbitrarily and unfairly lacking in judgment. They are accountable for their actions. I have full confidence that this bill is a great improvement in the modernization of our Public Service.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, I am very happy to follow my colleague from Halifax. The kinds of concerns she expressed are exactly the concerns I have heard from women in the Public Service, from people with disabilities in the Public Service and from visible minorities in the Public Service.

The minister is absolutely right. The majority of our managers are responsible, well-intentioned people. No, they are not going to turn into raving monsters wielding power irresponsibly overnight because of new legislation that allows them to do it. Legislation is written and restrictions are applied for those whose own moral principles do not guide them in the right direction. There are a few of those in any organization.

The minister, by his own comments, has refused to acknowledge the seriousness of the situation the member for Halifax is bringing to the attention of this House. Harassment is a fact in the Public Service. Discrimination is a fact in the Public Service. There is no other explanation for the fact that 50 per cent of those working for the Public Service of Canada are women and only 15 per cent of those in management are women.

It is not because they are less well educated. The fact is they are better educated. The minister's own department did a major report on women in the Public Service. It demonstrated clearly that attitudes place that glass ceiling above our heads and keep us crashing into it but never going beyond it.

Let me talk about deployments. The minister has said that deployments are not an abandonment of the merit principle. The legislation says otherwise. Deployments move somebody from one job to another. It may be up 10 scales; it may be down 10 scales. The minister has refused to accept amendments that would clarify what a deployment is and what it is limited to.

Normally when people move from one position to another they go through a process of being measured against other people qualified for the position to make sure that the best person gets the job. If there is any violation of that, any violation of fairness, they can appeal the decision and have it corrected.

Numerous situations have been highly publicized in this region and in other parts of Canada where that process has worked to unearth the promotion of favourites as opposed to the best qualified person. Let us not pretend a problem does not exist. If we pretend it does not exist we will never even attempt to solve it.

Motion No. 43 in the package we are dealing with specifically goes to the very misinformation that has been provided to the House that it does not violate the merit principle. It specifically exempts deployments from those sections of the act that protect the merit principle. That is why I have proposed Motion No. 43. It would at least require that the merit principle apply and that bilingualism and the need to provide services in our two official languages apply to deployments.

The minister's legislation now before the House exempts deployments from any requirements of the merit principle and any requirements to consider the need for bilingual services. I draw the attention of the House to clause 22 which specifically says deployments are exempt from these provisions of the act.

• (1350)

When a manager has total control over whether one progresses in the Public Service, moves sideways for other career opportunities or not, no wonder someone who is already vulnerable in employment the concern is: if I am nice to my boss I will get an appointment and if I am not I will not.

That is reason the Motion No. 40. A deputy could not unduly delay dealing with a complaint and would have to tell the employee in 90 days how the complaint had been dealt with and whether sanctions had been taken, as my colleague from Halifax was saying, to correct a misuse of the deployment system.

It goes back to the fundamental principle that if there is an appeal and a complaint procedure people have a right to timely justice. They have a right to know the information on which the complaint was decided. They have a right, which is not spelled out in the government's legislation, to know that it was dealt with and how it was dealt with.

I have dealt with, as my colleague has, numerous harassment complaints in the Public Service and in the military. They can take months and sometimes years to resolve. This is unacceptable. A deputy cannot sit there with the power over somebody's life and refuse to deal with a very serious complaint which inhibits morale in the Public Service.

In Motion No. 38 I have moved that a section be deleted from this clause. The minister has said deployments are voluntary. Well, that is nonsense. This section of clause 22 says that is Treasury Board has the right to deprive anybody of the right to complain against the deployment they feel is not fair, is not just, is not warranted or is based on favouritism. Why is the minister not prepared to consider that amendment?

This group of amendments is intended to try to minimize the damage of this whole section on deployment. It puts power in the hands of managers without requiring any accountability, without requiring any independent review of how they are exercising that power.

The minister stood in the House today and said: "Deployment is not an abandonment of the merit principle". Deployments are just another word for transfers. Transfers have already been tested in the Federal Court of Canada. The right to make transfers without competition has been found to be substantially in opposition to the merit principle. The judge in that case said: "I would be defeating the whole purpose of the Public Service Employment Act which is to ensure that appointments to the Public Service are made on the basis of merit", if he accepted this transfer mechanism of the government.

The minister says things will be used responsibly. In fact we know that the Public Service Commission extended to the external affairs department exclusions from the merit principle even when it knew that power at external affairs was being abused.

Is it any wonder my colleague from Kingston and the Islands has moved several amendments to require the Public Service Commission to act in a fair manner consistent with natural justice when it hears appeals and complaints?

These clauses which we are attempting to amend make the Public Service a chequer-board on which anybody can be moved around at the will or whim of a manager. They completely obliterate the distinction between what is a slight sideward move into another office and what is a major promotion.

If the minister believes that power is not going to be abused, that it is not going to be used to coerce and harass people, the minister is too naive to be sitting in this Chamber. I ask him to look again at those amendments, to see the tremendous damage that will be done to the Public Service of Canada, and to look at some reasonable changes to the legislation before it is too late.

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, this section on deployment is quite shocking. I simply want to review some of what the government is asking us to accept.

On the right to deploy, except as provided in this act or any other act, the deputy head has the exclusive right and authority to make deployment to or within that part of the Public Service over which the deputy has the jurisdiction. This can be for an indeterminate period. Unless some other period is specified, deployment is for an indeterminate period and on conditions. The main condition is that deployment shall be made in such manner as Treasury Board may direct.

In other words, overriding other considerations Treasury Board can simply direct: do this; do that and deploy them. It is this same Treasury Board that brought us the strike last year, the first strike in the history of the Public Service and one of the most massive strikes in Canada because of the absolute stubbornness of Treasury Board in insisting on the most unacceptable conditions being agreed to before anything else would be negotiated. The record is fully worrisome so far as Treasury Board is concerned.

Then it says that no employee shall be deployed without the consent of the employee. That is a joke. Obviously the alternatives offered will ensure consent and the employee will not have a right seriously to object to what is being done. This will mean that people will be moved without competition, without the right to appeal the move, and their careers will be at the whim of the manager.

In the department of immigration in the Public Service with which I am most familiar this is going to mean in the very near future, in weeks or months, massive redeployment of staff from the offices to be closed all across the country. Perhaps they will be lucky to be redeployed and not just laid off. Of course this depends on how many casuals there are.

But what is planned, so I am advised, is to close all except three offices in Canada. All other Canadians will be given a 1-800 number to phone in to try to get some kind of service from one of those three offices. The employees who had been working in those offices will be redeployed. They will be given the choice of being redeployed or starving, I guess. There will be chaos in the department as a large number of employees in the immigration sector are deployed across Canada or dumped.

This act is a very serious weapon of intimidation in the hands of Treasury Board and in the hands of the senior management of the Department of Employment and Immigration.

The public should understand not only how the employees are being mistreated under this act, but how the public is going to be badly served by the government's idea of cost cutting. It clearly is a prelude to privatization of the whole service.

The Acting Speaker (Mr. Paproski): If the hon. member is not finished his speech he will have five minutes remaining when we resume after three o'clock.

Mr. Heap: You looked so uncomfortable in your seat; you were bouncing up and down. I thought you were trying to tell me it was time.

The Acting Speaker (Mr. Paproski): I am not uncomfortable. The hon. member will have five minutes remaining after three o'clock.

It being two o'clock p.m. the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

FLOW-THROUGH SHARES

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, according to journalist Michel Girard of *La Presse*, flow-through shares are still the tax shelters that give the biggest tax savings. Investors will tell you that is as it should be since they are the riskiest investment on the market.

It is much less risky to invest in flow-through shares today than it was in the past. Why? Because the mining promoters who have been able to survive the three-year-old depression in the mining industry offer much better mining exploration projects than before. By better, I mean less risky.

Many newcomers invested in poor mining exploration projects in the past and they lost much of their initial investment. In the boom years, 1986, 1987 and 1988, too many junk peddlers pretended to be mining promoters. Today, fortunately, the junk peddlers have left the mining sector—at least, we hope so.

Nevertheless, many investors have made a bundle by putting some of their savings in flow-through shares.

* * *

[*English*]

AGRICULTURE

Mr. Lyle Vanclief (Prince Edward—Hastings): Mr. Speaker, Ontario corn and soybean producers are in an unprecedented cash crisis and need urgent action by the federal government.

The Ontario corn crop alone is worth $600 million. Dismal harvesting conditions and high moisture levels mean that 95 per cent of that crop and 40 per cent of the Ontario soybeans are still in the field and unable to be harvested. Much of it will remain there until spring, or at least well after freeze-up.

Because most of the crop is still standing in the field producers will not be eligible for advance payments under the Advance Payments for Crops Act. The lack of an advance payment means many producers are facing a cash crunch.

I call on the government to make the necessary adjustments immediately to allow the unharvested crop to be used under that program.

* * *

NATIONAL CHILD DAY

Mrs. Barbara Sparrow (Calgary Southwest): Mr. Speaker, today in Canada our children do matter. UNICEF identified the need to recognize the rights of children around the world. In 1988 the concept of a world summit was identified in its annual report.

November 20, 1989 was the day when the UN adopted a convention on the rights of the child. Canada and five other countries, under the co-chairmanship of our Prime Minister, were instrumental in garnering the support of over 70 countries around the world.

Canada's participation in the world summit for children in 1990, the ratification of the convention on the rights of the child, the announcement of *Brighter Futures* and the introduction of the child tax benefit have all been important and very substantive efforts on behalf of our children.

UNICEF has recognized Canada's *Brighter Futures* action as one of the world's best in industrialized world.

National child day can be an important opportunity for Canadians to acknowledge the value of children in our families and indeed in our society. It is fitting that national child day be established in Canada.

* * *

KAL FLIGHT 007

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, I have written an open letter to the Secretary of State for External Affairs today and I would like to paraphrase some of its contents.

I have written the minister regarding the KAL 007 airline tragedy of September 1, 1983. It is a very sensitive issue, but I would suggest that a final resolution has come its time.

Over the past nine years the matter of the needless deaths of 269 individuals including 10 Canadians has been continually brought forward by the governments of various countries, by various authors and by the affected families.

Each time new speculation and evidence as to the true events surrounding the tragedy have been brought to light, much to the torment of the families. External Affairs has been very forthcoming with information, but it is clear the *status quo* is not acceptable.

To offer poignant support for this assertion is a recent indication by a Korean politician who alleges that a leaked CIA report refers to currently imprisoned survivors of this tragedy. Certainly these types of assertions must be addressed in the most expedient manner possible.

Just yesterday Mr. Yeltsin presented to the Korean government the black boxes of the KAL airliner. Hopefully these may provide some insight into the events of the disaster.

However, I would encourage the minister to initiate a thorough non-partisan investigation—

Mr. Speaker: The hon. member's time has expired.

S. O. 31

SUNTHETIC ENERGY

Mrs. Diane Marleau (Sudbury): Mr. Speaker, Sunthetic Energy is proposing to build with private moneys a $700 million petrochemical complex in the Sudbury area.

This megaproject will produce ethers to be used as fuel additives for export to the U.S. and will create thousands of direct and indirect jobs across Ontario.

As Canadians we must do everything in our power to encourage and support new job creating businesses. If the NDP in Ontario does not act quickly this project will be built in the U.S.

The Sunthetic project has been widely endorsed by, among others, the Ontario Chamber of Commerce, the Association of Municipalities of Ontario and all Ontario's regional municipalities and their chairmen.

I plead with the NDP in Ontario to practise what it has preached in the past, approve this project and create a new industry and new jobs for Ontario. Actions speak louder than words. Do it now.

* * *

THE ECONOMY

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, there are excellent indications that our economy is slowly but surely rising.

Let us consider the following. Retail sales averaged an increase of 1.2 per cent in July and August. Housing starts were up to 6.7 per cent and sales of existing homes rose 4.8 per cent in the third quarter. Labour productivity rose 3.3 per cent in the first half of this year and the Statistics Canada leading indicator continues to increase. We saw the largest increase in 11 months in August of this year.

The government has also turned around an operating budget deficit of $16.1 billion that we inherited, to an operating surplus of over $12 billion in 1991.

The good news is going to keep getting better. We are on the right track. This government is making the proper decisions to ensure a better economic future for all Canadians without borrowing from future generations.

S. O. 31

FUR INDUSTRY DEFENCE PROGRAM

Mrs. Ethel Blondin–Andrew (Western Arctic): Mr. Speaker, in 1987 the federal government initiated the Fur Industry Defence Program to protect and develop Canada's fur trade and markets and to enhance the aboriginal people's involvement in the fur trade. The program is based upon the fundamental principle of allowing the fur industry to defend itself.

The program has come to the end of its five–year mandate. I urge the government to renew its support for the Fur Industry Defence Program and to provide the money necessary to support an increase of involvement of aboriginal people in all aspects of the fur industry in Canada. As a major stakeholder and as a group which has made significant contributions to the fur industry they deserve more support from the Government of Canada.

We as Canadians all know that fur built this country.

* * *

VIOLENCE

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, I rise today to add my voice to the growing movement in Canada regarding the portrayal of violence on television.

Members will recall that in February this Chamber unanimously agreed in calling for a full review of the media's portrayal of violence toward and the abuse of women and children. We must have that review.

Canadians of all ages, from all walks of life, are pushing for someone to do something. From Quebec's young Virginie Larivière, who is circulating a petition calling for a law against TV violence to the Prime Minister himself who signed her petition, a national consensus is building.

I urge hon. members to tap into the feelings of their constituents and this consensus that is developing across our nation. Please show leadership. For us to say nothing is for us to do nothing.

THE ECONOMY

Miss Deborah Grey (Beaver River): Mr. Speaker, it has become painfully clear to Canadians that the current Progressive Conservative government has destroyed the Canadian economy.

When the Conservatives are finally voted out of office they will have left a legacy of a national debt approaching half a trillion dollars. Yet they perpetually blame the Liberal administration of eight years ago for the financial mess today.

I agree that perhaps the Liberals are no better at balancing a budget than are the Conservatives. I cannot believe that after eight years the Tories refuse to take responsibility for their own dismal management skills and instead blame someone else.

My party, the Reform Party of Canada, would begin to put our fiscal house in order by applying all GST revenues to the national debt. Subsequently, upon balancing the budget, we would remove the GST by reducing it in stages to zero.

If the government were truly serious about improving the Canadian economy and stimulating growth, it would do well to adopt the Reform Party's proposal on this as well as many others that it has adopted.

* * *

PARTY CANDIDATES

Mr. Garth Turner (Halton—Peel): Mr. Speaker, when I sought the nomination of the Conservative Party in my riding four years ago I did not have to be approved by any elitist selection committee of party insiders or to be sanctioned by the leader.

Instead I brought average Canadians with me to an open and fair nomination meeting where a democratic vote determined who would represent the party. What a difference this direct democracy among Conservatives is from what the Reform and Liberal parties do.

Reform candidates have to be approved by the party elite after filling out questionnaires. Now Liberal candidates do not need to worry about democracy. The Liberal leader, afraid of the dirty details of the democratic process, is simply appointing candidates even over the objections of local party members. Then he has the nerve to discipline his own distraught members of Parliament

and wonder what is wrong with fairness and the open voting process.

• (1410)

Thank goodness in Canada there is at least one party, the Conservative Party, which keeps Parliament democratic. It is for the people, by the people, and of the people.

* * *

TRANSPORTATION

Mr. Raymond Skelly (North Island—Powell River): Mr. Speaker, the Minister of Transport is currently evaluating a proposal to privatize Canadian Coast Guard helicopters. The Pacific region of Canada's Coast Guard is evaluating the helicopter privatization proposal right now.

This helicopter privatization proposal is reckless, dangerous, and will compromise the safety of British Columbians. The Minister of Transport should stand in this House and announce that this privatization project is dead.

The Minister of Transport, if he has the courage, should also attend a public meeting in the Labour Centre in Campbell River, B.C., on Sunday, November 22, to justify to the people of British Columbia his refusal to upgrade light stations and the government's proposal to privatize coast guard helicopters.

The minister should come to the meeting and let the public tell him exactly what it thinks of this helicopter privatization proposal, and that is no.

* * *

FISHERIES

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I stand today on behalf of the workers of two fish plants in my constituency which have been closed: Highland Fisheries in Glace Bay and National Sea Products in Louisbourg.

The Government of Canada has closed what has been known as 4V–N fishery for this coming December. This decision was made without any consultations with the fish plants involved or the workers.

In point of fact this was part of the groundfish management plan last year. As a result companies and workers made strategic decisions with regard to their particular livelihoods, keeping in mind these fish plants would have the fisheries for the month of December.

In Glace Bay over 150 jobs will be affected by this particular announcement. In Louisbourg another fish plant will be closed for the month of December. There are high prospects that it may be closed permanently or at least for an indefinite period of time.

This decision by the Government of Canada without proper consultations among fish plant operators as well as employees directly affects their livelihood and the livelihood of the communities where these individuals reside.

I would call upon the Minister of Fisheries and Oceans and the minister responsible for ACOA to take direct intervention in order to help and to assist these workers.

* * *

[*Translation*]

CANADIAN ASTRONAUT STEVE MCLEAN

Mr. Jean–Marc Robitaille (Terrebonne): Mr. Speaker, I would like to mention that Canadian astronaut Steve McLean is in the national capital today. He recently returned from his mission on the space shuttle Columbia.

Mr. McLean, who is originally from Ottawa, by the way, spent almost 10 days in orbit on board the shuttle last month. While in space, he carried out Canex–2, a series of seven experiments in space science, space technology and the life sciences. Steve was continuing the work done by Marc Garneau on Challenger in 1984 and more recently by Roberta Bondar on Discovery.

We are all very proud of what our Canadian astronauts have done, and today especially of the feats performed by Steve McLean. They are a model for young Canadians and a challenge for future generations to match.

[*English*]

LIBERAL PARTY OF CANADA

Hon. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I rise today on an issue of fundamental democracy.

In February of this year the National Liberal Convention in Hull gave its leadership permission to side-step regular nominations in this country. Now the Liberal leadership has done that in the case of the Toronto riding of York Centre. The former mayor of Toronto Art Eggleton has been appointed—and I stress appointed—as a candidate in 1992. Local Liberals are objecting to this.

We have had three courageous MPs who have spoken out: the member from Broadview—Greenwood, the member from Eglinton—Lawrence and the member from York South—Weston who, by the way, has now been rebuffed and stripped of his critic duties because he had the courage to speak out against the democratic procedure of the Liberal Party of this country.

I close by saying that when it circumvents a nomination process, when it circumvents democracy in this country, there is something fundamentally wrong with that political party. In this country a political party is judged by how it governs itself. It must be accountable to the people. It must not be afraid to—

Mr. Speaker: The hon. member's time has expired.

* * *

LIBERAL PARTY OF CANADA

Mr. Vincent Della Noce (Laval-Est): Mr. Speaker, my colleague, the Liberal MP for York South—Weston, said he was stripped of his critic's role last night because he refused to sign a letter of apology to the Liberal Party. He is no longer the critic on employment and immigration because he refused to apologize publicly for criticizing the backroom boys of the Liberal Party.

The Liberal leader recently appointed former Toronto mayor Art Eggleton as the Liberal candidate in the York Centre riding, by-passing the normal open nomination process by bumping a Canadian of Italian origin, Mr. Peter Li Preti who had sold in excess of 3,000 membership cards.

Is this the way the Liberal Party treats Canadians of Italian origin?

[*Translation*]

It is an affront to democracy and a lack of respect toward my community.

[*English*]

If the process does not work, fix the process. Do not kill it.

* * *

[*Translation*]

ENVIRONMENT

Mr. Marcel R. Tremblay (Québec-Est): Mr. Speaker, I would like to draw your attention to the importance of leaving an environmental heritage to our young people.

Clearly, our natural resources are not inexhaustible. That is why we must act for the environment every day. Car pooling, recycling and waste control are only a few examples of what can be done.

We do not have the right to live on our environmental capital, since we are mortgaging the future and can never pay it back.

It is in everyone's interest to live in a healthy environment. We must all act accordingly.

ORAL QUESTION PERIOD

[*English*]

EMPLOYMENT

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Acting Prime Minister.

Four years ago this week in his final campaign appearance in Canada's largest city, the Prime Minister promised a group of unemployed Torontonians: "We'll put you back to work". When he said that, there were 65,000 people in Toronto looking for jobs. Today there are 236,000 people in that city alone who do not have work and thousands more who have given up trying.

What fourth anniversary message does the Prime Minister have for those 236,000 Torontonians that have lost hope in his government?

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, one of the things that the hon. member failed to point out in her question is that we have come through a world-wide recession over that period of time.

Some hon. members: Oh, oh.

Mr. McDermid: The opposition can disagree with that but the facts and figures show that very plainly.

We now see signs that we are coming out of the recessionary period we have gone through. There are some very hopeful signs that the economy is picking up, including retail sale increases, house sale increases. We are seeing an increase in production and we are seeing a great increase in exports this year of record levels which shows that the free trade agreement is working.

This is very little consolation for those who are unemployed and I admit that. There are signs that the economy is coming around. The unemployment rate has been dropping. Jobs have been created over the last few months. Some 64,000 new full-time jobs have been created and that is an important sign. We are heading in the right direction.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the bank rate today jumped by 98 basis points. The minister claims that the government is the victim of a world-wide recession. The fact is the Minister of Finance admitted in this House that he and his government deliberately induced a made-in-Canada recession to slow down the overheated economy that was identified in the city of Toronto.

No one made them do it. They chose to do it. Now they say: "Let us put you back to work". Where is the government's basic plan to put Canadians back to work? How many jobs will it create and when will it announce details to the 1.6 million Canadians who have given up hope in this government?

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, the government has announced many projects that create employment. I notice with great interest that the NDP has decided that it would scrap a helicopter purchase that the government has made. It is going to create thousands and thousands of jobs in Ontario and in Halifax, Nova Scotia where I visited a plant that is going to outfit all the helicopters. All kinds of projects are going on where money is being spent.

• (1420)

Not only is our dollar under attack, but currencies around the world are under attack at the present time in this unsettling period and are extremely volatile.

The hon. member did not stand up in the House when the interest rate dropped 18 weeks in a row and congratulate the government.

[*Translation*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, four years ago the Tories won their second election, and what do we see today? Unemployment: out of control; transportation policy; out of control; business bankruptcies: out of control; deficit: out of control; and cities and provinces that are losing their credit rating. Where is the Prime Minister's plan for Canada's economic recovery, or is he just going to tell 1.6 million unemployed in Canada to get out?

Hon. John McDermid (Minister of State (Finance and Privatization)): The hon. member asked the same question in English and French.

[*English*]

Mr. Speaker, the hon. member knows full well that the deficit situation in this particular period is not like the deficit situation that we found in 1981-82 when income dropped for the government. The spending of the government has been maintained at a good solid level, but income is down somewhat which has increased the deficit.

It is interesting that she is complaining about the deficit increasing when her party is advocating spending more and more, throwing more money at the problems rather than getting the basics right, getting interest rates down, holding them down, getting inflation down and holding it down.

I might quote to the hon. member from an article in *The Financial Post* which says that Canada has the fastest growth of industrial production over the last year among the 13 major countries tracked. Although this is not spectacular by any stretch of the imagination, it is far ahead of the other industrialized countries, including the United States and Japan, which slipped minus 8 per cent and Germany which slipped minus 3 per cent.

TRANSPORTATION

Mr. Stan Keyes (Hamilton West): Mr. Speaker, the final report of the Royal Commission on National Passenger Transportation depicts a cruel, vicious vision for transportation in the 21st century which I am sure even has Sir John A. Macdonald rolling in his grave.

The report urges the government to abandon its responsibility of providing affordable transportation to all regions of Canada, adopting a user-pay system. If you do not have the money, you will not travel.

Will the Minister of Transport reject this $25 million report which will turn the national dream into the national nightmare?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I hope the hon. member is not advocating in his dreamland that we keep transportation vehicles running around the country with nobody in them and the taxpayers of Canada paying for it.

The hon. member is giving a quick evaluation of a report that was presented by a group of very competent, expert people. They spent three years listening to people, examining the situation and coming to conclusions. The hon. member should have enough sense to respect the judgment of people who have spent so much time and effort in trying to examine the transportation framework that should exist in this country over a 30-year period.

This is an excellent report. It is far-reaching.

We have to examine the report very seriously over more than a 24-hour period of time. We should examine all the recommendations and see how they will help us maintain a viable, competitive and efficient transportation industry.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, I understand that this minister is giving a ringing endorsement to this report.

Surely this minister realizes that a national passenger transportation policy is about serving people. It is about providing them with a safe, affordable and regionally accessible system of transportation.

The report recommends that our national transportation policy not be concerned with regional economic development. It states it very clearly. Is the minister abandoning the regions? Will he condemn the report outright?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I thought that the first question of the member was just driven by his predilection to blame the government. I would not have thought he would go so far as interpreting incorrectly what I have just said.

I said that this is a good report that has been put together by a number of people who have worked very seriously on this for three years. They are trying to tell the people of Canada that we have to examine how we operate the transportation system in order that it be affordable, efficient, safe and that people should take into consideration what it costs the taxpayers of Canada who do not travel to keep the system operating.

We are going to examine each of the recommendations very carefully and we will then report to the House of Commons.

* * *

NORTH AMERICAN FREE TRADE AGREEMENT

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, when it comes to informing Canadians, we know that the government can provide text and documents when it wants to. We have had a recent example of that when Canadians were informed about the political constitution of the country.

Canadians are anxious to know other information. They are well aware of the tens of thousands of jobs that have been lost because of the Canada-U.S. Free Trade Agreement. They are concerned about jobs that will be lost as a result of the Mexico-United States-Canada free trade agreement. They have a right to know.

Yet when Canadians want to get a copy of the publication regarding NAFTA, there are no copies available. There are no copies available for the public of Canada.

My question for the Acting Prime Minister is this. Why is this government in effect banning this publication from the Canadian public?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, I gather the hon. member has a banned document in front of him.

Mr. Andre: You've got one right there.

Mr. Hockin: It is published by the Government of Canada. It is freely available. He is creating a tempest in the teapot.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, Canadians want to have copies of the North American free trade agreement. Canadians have a right to have copies of the agreement. Yet to get a copy of the agreement today, you have to telephone the United States department of commerce. It will send you a copy.

The Government of Canada will not send you a copy. There are no copies available. There are no copies in the depositories. There are no copies in the libraries. The chambers of commerce of Red Deer and Chicoutimi cannot get copies from this government.

Is this a forerunner of what we can expect? If you want to find out how NAFTA is going to affect your sector of the economy, your business or your community, will you have to telephone Washington, D.C.? Why can you not telephone Ottawa, Canada?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, if you want to find out how an improved trading relationship with the United States will affect the Canadian economy, British Columbia in particular, talk to companies that are expanding and increasing employment.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I wish to point out that the government is not answering the question.

Why is the document not available to the people of Canada? I understand that the Conservatives and the Liberals have agreed that there will not be hearings in every province of the country. There will not be hearings in the part of Canada, the industrial heartland, that was most adversely affected by the Canada–U.S. trade deal. I understand that if you are lucky enough to have a computer programmed with WordPerfect 5.1, you can have a disk, but for the average Canadian this deal is not available.

• (1430)

I am going to ask the minister to do the right thing today. Will he table this agreement in the House of Commons at least, so that the document section can provide copies to the people of Canada?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, the hon. member knows it is going to be tabled in the House and he knows it has to be translated. We will make sure that it is tabled.

As for the committee's travels, the representatives of all three parties and the management committee of the committee that is looking at this has agreed on the six cities they are going to visit. He knows that. It is my understanding that the hon. member for Esquimalt—Juan de Fuca agreed to this itinerary. He did not want to go to those particular cities that the hon. member mentioned.

* * *

[*Translation*]

TRANSPORTATION

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is also directed to the Minister of Transport. The Royal Commission on National Passenger Transportation, which was appointed by this government, tells us that substantially the government will no longer play a role in building infrastructures and systems for passenger transportation in this country.

More specifically, I would like to ask the minister: Does he support the Commission's recommendation, yes or no? Or does he agree with me that the government still has an important role to play in building the ties that keep this country together?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I repeat that the report was submitted by a group of people who worked very hard for three years.

These people have a lot of expertise. They consulted with many people and examined all these questions with great intelligence and care.

Today this group has submitted a very explicit report full of statistics and comments. I think we owe it to the people who prepared this report to make a detailed study of each recommendation, because we must not forget

that their objective is to establish, over the next 30 years, a transportation system that is viable, effective and financially sound. This is not going to happen overnight.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, that is all very well, but it does not answer my question.

Specifically, my question concerns the following. The report states that it is based on the premise that the market, not governments, should decide who may transport passengers. That is the premise of this report. Does the minister agree, at least with the premise? Or does he reject this premise, as I do? Yes or no?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I think the hon. member's response to this recommendation simply proves that these people are not prepared to consider today's situation in relation to the future. They want to make a snap decision, without considering its ramifications for the next 20 or 30 years.

Again, this report is intended as a guide for government decision making during the next 30 years. These are not decisions that are made overnight. Careful consideration of every aspect of these recommendations will be necessary before reporting on them to Parliament.

[*English*]

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, my question is for the Minister of Transport.

The airline workers demonstration today on Parliament Hill shows that the government has created another crisis in our transport industry and an extremely serious one.

As a result of the government's continued mismanagement generally, and in particular of the airline industry 800 Gemini workers in Winnipeg and elsewhere who have excellent high-tech jobs could lose that work. What is the government going to do to help these workers?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, once again, I would like to have the member of the opposition party tell us exactly in what direction that party is going. A couple of weeks ago the leader of that party said to the government: "You must come to the help of one of the players in this situation". The proposal is to take apart the Gemini system. We have now the other member saying: "You have to help the Gemini system". I think he must realize that there is a lot of contradiction in what he says in reference to what his own leader said a couple of weeks ago.

Mr. Ronald J. Duhamel (St. Boniface): The party's position has not changed. The minister is unable to understand it and that is unfortunate.

[*Translation*]

Mr. Speaker, that is another failure of the government in this whole air transport issue. The government misjudged this situation as it has misjudged many others, and it knows it. It has failed yet again. What will it do to get out of this crisis, to make sure that thousands of jobs are not lost? Does it understand this? Yes or no.

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I will remind the hon. member opposite that the commercial civil aviation industry is in crisis throughout the world. In every country now, all airlines are in great difficulty and are trying to get out of it by forming closer relations among several companies. We now have two Canadian carriers in financial difficulty with a very high level of debt. On Tuesday, a few days ago, we received a very specific proposal from the employees and from Canadian Airlines and its employees. We said how impressed we were by the employees' decision to accept wage concessions and to invest their own money. We agreed to look into this very serious proposal with them and to try to find a solution whereby we could save the Canadian civil aviation industry and protect as many jobs as possible in a fiscally responsible way for all Canadians.

* * *

[*English*]

THE ECONOMY

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, my question is for the Minister of Finance.

The bank rate today has jumped almost 1 per cent because of lack of international confidence in government policies. A 1 per cent increase in the bank rate means a loss of 40,000 jobs. It means an almost $2 billion increase in our deficit. It means $570 more each year for somebody with a $70,000 mortgage.

Given an inflation rate which is far below the target the government had even set for itself, how can the government justify such an unheard of dramatic increase in interest rates which will so seriously damage Canadians right across this country?

Hon. John McDermid (Minister of State (Finance and Privatization)): Again, Mr. Speaker, I repeat to my hon. friend: Where was he when the interest rates dropped 18 or 19 weeks in a row, to levels that we have not seen since the 1970s?

As the hon. member knows, there clearly has been pressure in currency markets over the last several months directed at many of the currencies. It is not only a judgment on the federal government, it is also a judgment on provincial governments, municipal governments in the way they have been controlling their expenditures over the past number of years, the debt load that they are all carrying, and so on. But it is not just Canada. It is other currencies in the world as well.

The interest rates are still—

Mr. Peterson: It's their fault.

Mr. McDermid: No, I am not blaming them all. We are all in the same boat. Interest rates are still much lower than they have been traditionally over the last number of years. Those people who, for example, in 1990 were paying mortgages at 14 per cent today are at some 8 per cent and are saving themselves over $400 per month, based on a $100,000 mortgage.

• (1440)

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, in fact the United States mortgage rates are significantly below those in Canada. Interest rates generally in the United States are significantly below those in Canada. In the United States, despite the fact that it has a bigger deficit in relative terms, interest rates are staying down. The international community is showing confidence in the new Clinton government because it is going to change policies and expand jobs.

Why will this government not escape from the Reagan–Thatcher time warp that it is caught in and recognize that it has to change its policies and move ahead with job expansion in this country?

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, I debated with my friend for many, many months, in fact a couple of years, on the free trade agreement. I have never heard anyone who knocked the United States more than the hon. member. Today he is advocating that we adopt the economic policies of the United States.

The member is also one who says that Canada should have economic sovereignty. He is now telling us that we should follow the economic policies of the United States. The NDP speaks with forked tongue and cannot have it both ways.

* * *

TRANSPORTATION

Ms. Mary Clancy (Halifax): Mr. Speaker, Canadian Pacific's decision to abandon its rail lines in eastern Quebec and the maritimes shatters this government's already tattered commitment to regional development.

From a region devastated by government policy, I ask the Minister of Transport why would he not use his discretionary power under the National Transportation Act and reverse this action today?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, as I mentioned yesterday, this regulatory process of the NTA was put in place so that when railway companies want to abandon lines they can address themselves to this agency which will hear all sides. The railway companies, the municipalities, the provinces, the ports, individuals, shippers, anybody who wants to be heard will have a chance to put his side of the story. At the end of the day, the NTA is going to come down with a decision either positive or negative. At that time there is another possibility for the government to examine that conclusion and make its best decision.

I would suggest that the most efficient and most democratic way of going about this is to take this request from CP and put it through the NTA process, as they have done, then let the story unfold with input from everybody. Then the government can take its responsibility afterward because the decision that has been taken is not to remove, it is to ask for permission to remove.

Ms. Mary Clancy (Halifax): Mr. Speaker, that is a fine answer, but surely the minister is aware—

Some hon. members: Hear, hear.

Ms. Clancy: Not that fine, gentlemen. Surely the minister is aware that his discretionary power under section 23 of the National Transportation Act must be exercised before the hearing takes place. It is not individual groups such as the minister listed that are

going to restore jobs in Atlantic Canada and eastern Quebec, it is the minister and this government.

Is he going to act and act now? If he is not going to act now why will he not act for the benefit of Canadians?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, it is precisely because it is in the best interest of Canadians to hear what everybody has to say on this matter.

I fully understand the content of the article that the hon. member is referring to, but I say that it is most preferable to let the process run its course. This is the only way that all interested parties will be in a position to tell their side of the story and hear the other sides. At the end of the day it comes back to the government to make a final decision. Until that time nothing is going to happen.

* * *

THE ECONOMY

Mr. Maurizio Bevilacqua (York North): Mr. Speaker, my question is for the Acting Prime Minister.

I was born in 1960 and my generation grew up with the dream that if we worked hard we would be rewarded with opportunities. That dream has been shattered. The new coalition of unemployed Canadians, factory workers, university graduates, carpenters, technologists, managers and professionals all share in the human misery of this unforgiving recession.

I ask the Acting Prime Minister, when will he restore the dream?

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, the Minister of Finance has indicated that he will be coming forward very shortly with an economic statement in the House, to be delivered within the next week or so, which I think will answer a lot of the concerns the hon. member has raised today.

We too are concerned about employment and the facts that we are experiencing right now. However, I do want to remind the hon. member that between 1984 and 1992, 1,320,000 more Canadians are working than in 1985. Those are a lot of jobs that have been created over the last 10 years. It is not enough to fill the ranks of the unemployed in this country and we admit that. That is something we all have to concentrate on. However, it is a record that no other country in the world can match per capita and we should be proud of that.

Mr. Maurizio Bevilacqua (York North): Mr. Speaker, it is obvious that this government fails to understand the real problems of real people.

Last Monday, Jonathan Rosen, aged 31, lined up with 350 other people to apply for one of 20 minimum wage jobs at the Eaton Centre. Six months ago Jonathan Rosen worked for the federal government.

Roberto Soarez, age 28, a university graduate who has been out of work for a year, also lined up for one of those minimum wage jobs. The dream is slipping away from my generation. Why does the government refuse to provide innovative and effective programs to create jobs for Canadians and restore the dream?

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, as I said earlier, the purchasing the federal government is doing is creating thousands of jobs in the private sector. They are very important high-tech jobs. We just have to look at some of the contracts that have been announced over the last year. They are very important for our work force right across this country. We are doing something in that regard within the budgetary limits of this government.

I can sympathize with those people who are having a tough time finding a job. It is difficult. As I have said, the unemployment rate is dropping. In the past year 64,000 jobs have been created. Signs of growth in the economy are very promising and we are encouraged that Canada is on the way to recovery.

* * *

AVIATION INDUSTRY

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

Earlier today over 2,000 Air Canada employees were outside this Chamber. They are very scared. They and their families are worried about whether or not they will have a job tomorrow, which is no different than the worry that Canadian employees have.

I want to ask the Minister of Transport if the government has arrived at a solution, not just for the short term, to keep either carrier or both carriers afloat but for the long term of the Canadian aviation industry? Has the government arrived at a solution?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, as I mentioned before, a formal proposal was put to us by PWA and its employees this Tuesday. We started working on that proposal immediately after we received it. We have met with representatives of the employees of the company and also of the company that is trying to finalize the transaction. We are working on a very tense schedule to arrive at a solution.

When I came out of a meeting last night, I mentioned that we had made enough progress to believe that we will be able to come to a constructive resolution before the end of this week or early next week. We are taking into consideration, of course, the employment of all the employees of the whole airline system in Canada.

• (1450)

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, the minister answered only in part.

He indicated that the government was working on the short-term crisis but he did not indicate, like the Minister of Finance did on CBC radio this morning, that the government was recognizing that the marketplace had not worked and that the government was examining options. It called them policy options, although in any other language it is some form of reregulation.

I want to ask the Minister of Transport through you, Mr. Speaker, whether the government finally recognizes that bailouts of a carrier by themselves do not guarantee the survival of the Canadian aviation industry, nor does it guarantee the ongoing operation and ownership by Canadians of the Canadian airline industry.

Is the government prepared to move to ensure that regulation will be put in place to make sure that those carriers can survive in the long term?

[*Translation*]

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, the hon. member is putting words into my mouth or at least he is trying to ignore what I have been saying in this House from the very beginning, in response to questions about this matter.

I repeat that we must seriously consider this offer to ensure it is not a temporary solution. What we want is a permanent solution to create a system that is as viable, effective, and financially and fiscally sound as it can be.

* * *

[*English*]

CANADIAN MIDDLE CLASS

Mr. Garth Turner (Halton—Peel): Mr. Speaker, a number of my constituents have expressed concern that the Canadian middle class may be dying.

In fact, a national newspaper series this week flatly states that that is the case. My question to the Acting Minister of Finance is this. What measures has the government taken, or does it propose to take, to bolster confidence among middle class Canadians to help them be able to plan a secure future?

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, I think the first thing we should look at is the United Nations study that picks Canada as the number one country in the world in which people desire to live.

I think that being judged by our peers as being the number one country in itself says that we are doing well and that the middle class by no stretch of the imagination is dying.

There are many things in our economy to encourage the middle class such as low inflation and the low interest rates that we are experiencing now. I am convinced that with the tax cuts that we are having on January 1 which will put $1.2 billion more into the economy, together with all the other factors, the middle class can be asured that they will always have a very strong and important place in Canadian society.

* * *

[*Translation*]

THE ECONOMY

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, my question is directed to the President of the Treasury Board.

According to Jacques Pelletier, an analyst with the Central Mortgage and Housing Corporation in Montreal, residential construction preceded the over-all

start-up of economic activity during the last economic recovery.

Unfortunately, the government refuses to recognize the important role this industry has to play in getting the economy started again. Why is the government dragging its feet on bringing in an infrastructures program, a program that is directly related to recovery in the construction industry and recovery of the economy in general?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I think the government has shown that it does understand the importance of the residential component of the construction industry.

Measures taken in the last budget to allow people to use money in their RRSPs, and the government's general policy, especially as it has affected inflation and interest rates, are the best kind of government intervention, which benefits all economic sectors in this country. We must realize that the best thing the government can do is provide the right conditions for industries to develop, including cheap capital and low mortgages.

My colleague, the Minister of State for Finance and Privatization, has already pointed out the beneficial impact of our policy on inflation and interest rates.

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, my question is still directed to the same minister.

The sector worst hit by this recession has been the construction industry, where unemployment is around 50 per cent. There has been a 14 per cent drop in residential construction, as the minister mentioned earlier, in the Montreal area, compared with the previous month alone.

Considering these figures, why won't the government introduce a genuine economic recovery program, such as modernizing infrastructures, in order to give construction and the economy in general a boost? When will we get this program?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, a couple of years ago, the government said that the economy was overheating, and that because of very high interest and inflation rates and artificially high prices for homes, the situation was very precarious. The result is that Canadians are now deep in debt. Governments, companies and Canadians are in debt, and their purchasing power has diminished considerably.

As a government we are trying to do our share to create better conditions and free up capital so that people can borrow, instead of using all the capital available to pay off Canada's debt. We are making an effort to boost recovery in all these sectors, including the residential construction sector.

* * *

[*English*]

INTEREST RATES

Mr. Jim Peterson (Willowdale): Mr. Speaker, today the government raised the interest rate by 98 basis points, for a whopping increase of 29 per cent in the past eight days. Last month Canada lost another 28,000 manufacturing jobs and manufacturing bankruptcies are at a record high.

This government has not been able to deal with the deficit, it has not been able to deal with jobs. This government's legacy is the deindustrialization of Canada.

I ask the Acting Prime Minister: Why does this government continue to batter Canada's manufacturers with its high interest rate policy?

An hon. member: High interest rate policy, heavens to Betsy. Jim, you were around when it was 22 per cent.

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, this country has among the lowest interest rates of any country in the industrialized world. The hon. member should really look around the world and see what interest rates are outside of Canada.

The second point is manufacturing. In fact, unit labour costs are improving in a very important way in manufacturing. We are becoming much more competitive. As a matter of fact as a proportion of our exports, manufacturing has increased from 24 per cent to 26 per cent of our exports. Not only that, but shipments were up 4 per cent in August. The gains were broadly based. Seventeen out of 22 major groups recorded increases.

We also have manufacturing capacity utilization numbers. That is very important. They have increased for the second consecutive quarter and 17 of 22 industrial groups recorded capacity utilization gains.

So there are signs of health. There are signs of improvement in the manufacturing sector.

Mr. Jim Peterson (Willowdale): Mr. Speaker, if our interest rates are so low, why are they 4 percentage points higher than the United States and in real terms 6.35 per cent higher than U.S. rates? That is where it counts.

If the minister wants to talk about trade, the trade that really counts is in high-tech goods. Our deficit is $15 billion in high-tech goods and growing.

I go back to the question of our manufacturing sector. Since January 1989 Canada has lost 375,000 jobs, 18 per cent of all its manufacturing jobs.

When will the government admit that its policies are not just working or is its position that we do not need to have a strong manufacturing sector in order to have a strong economic future in Canada?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, most Canadians do not know and the hon. member clearly does not know that while the Canadian manufacturing sector represents a smaller share of our GDP than it used to, it has continued to grow in absolute terms. It has continued to grow in absolute terms. Indeed, its size has nearly doubled over the last two decades. To give the impression that there is no manufacturing reality left in Canada is really quite wrong.

I really want to give my hon. friend an interesting answer on interest rates. In the United States, although it is violated sometimes, a state government or governor is not allowed to send an unbalanced budget to the legislature.

In this country provinces can run big deficits, especially the Peterson government and the NDP government in Ontario.

Oral Questions

OLDMAN RIVER DAM

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is for the Minister of Transport who answered questions regarding the panel report on the Oldman River dam on the floor of this House on May 2. This is what he said and I quote: "The government responded favourably to 22 of the 23 recommendations contained in the report—.We have accepted that recommendation with the 22 other recommendations contained in this report—.We will ensure that they are implemented".

Could the Minister of Transport tell us why not a single one of those 22 recommendations have been fulfilled now, today, six months later?

• (1500)

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I stand by the words I spoke in the House on May 23. Certainly the member will understand that if we want implementation of the recommendations in an orderly fashion, we have to put in place the mechanisms and the process to make sure it will happen so that this thing does not get bottled up.

This is what we are doing at the present time. I stand by what I said in the House of Commons on May 23. We are going to see that these 22 recommendations are implemented but we want to make sure that when it happens we have a process and mechanism in place.

Mr. Jim Fulton (Skeena): Mr. Speaker, I have a very short supplementary question.

Eighty per cent of the potential environmental damage will occur if the reservoirs are allowed to fill with next spring's run-off. Will the minister get his feet off the recommendations and tell this House in absolute terms that those 22 recommendations will be fully implemented before next spring's run-off goes into the Oldman dam reservoir?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, it would be absolutely irresponsible to make such a commitment. We are committed to making sure the recommendations are implemented. Therefore it is absolutely illogical and irresponsible to say that it will be implemented by that date. I will not fall into that trap.

Point of Order

[*Translation*]

INTERNAL ECONOMY

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is for the representative of the Board of Internal Economy in the House of Commons, namely the hon. member for Saint-Léonard.

In 1990, the House of Commons bought a colour offset press for $800,000. In 1991, the Auditor General of Canada recommended that Parliament thoroughly investigate the purchase of this press.

Can the hon. member tell us today whether the Board of Internal Economy has decided after a study was done whether this press should be kept or not?

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, on behalf of the Board of Internal Economy, I am pleased to answer my colleague, the hon. member for Abitibi.

Further to the Auditor General's report and a very detailed study ordered by House of Commons officials from a consulting firm, Mr. Speaker, the Board of Internal Economy approved the sale of the press in question. It was exchanged for a smaller press and a credit to buy other pieces of equipment.

The press obtained in exchange better meets the needs of the Printing Division of the House in terms of cost benefit, productivity improvements and flexibility for future technology. If my colleague needs more detailed information, I am prepared to ask the officials to provide him with the necessary details.

* * *

[*English*]

PRESENCE IN THE GALLERY

Mr. Speaker: I draw the attention of hon. members to the presence in the gallery of Dr. Steve McLean, Canadian astronaut.

Some hon. members: Hear, hear.

POINT OF ORDER

REPORT OF STANDING COMMITTEE ON HOUSE MANAGEMENT

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I rise with regard to a point of order raised this morning by the hon. member for Kamloops.

You will recall, Mr. Speaker, that at that time the subject was the composition of the legislative committee for Bill C-91 and the report of the House management committee in connection therewith.

Sir, when you left the Chair I am sure you are aware that the House leaders had agreed to try to resolve this matter within the bosom of the House management committee.

I can report to you, Sir, and to the House that the committee met at 11 o'clock this morning and dealt with the generic issue of how committees are constituted and I believe has put together an improved mechanism in that regard.

However, on the specific point of the constitution of the committee on Bill C-91 there is now clearly agreement among the Whips and the committee is in fact constituted by motion of the House management committee.

Therefore I would submit, with all respect, that the point of order is no longer valid or relevant.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, my hon. friend has explained the process that was followed accurately. We look forward to receiving the report tomorrow and it will be adopted upon its submission at the appropriate time, during Routine Proceedings.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I have a number of questions for the government House leader about the business of the House. While I am on my feet I want to indicate I hope that the Minister of Multiculturalism and Citizenship could remain in the Chamber for a brief moment. Perhaps the government House leader could indicate to the House the business for the rest of the day—

Mr. Speaker: Excuse me. I wonder if the hon. member for Cape Breton—East Richmond wishes to rise on the matter that was raised by the parliamentary secretary.

I have listened carefully to the response of the hon. member for Kamloops. The issue before the House and before the Chair is whether or not, as a consequence of these discussions earlier today, there is now that unanimous consent which was asked for as a consequence of

the reference to the motion of the committee some time ago when it established a subcommittee.

What I have to know is there unanimous consent? The effect of unanimous consent is that the introduction of the matter will stand but I think we must be absolutely sure what we are agreeing to. I wonder if the hon. member for Kamloops could assist the Chair.

Mr. Riis: Yes, Mr. Speaker, I think I can assist the Chair. The concern we had this morning, and I think this is the point being made by myself and my hon. friend the opposition party House leader, was that the appropriate procedures had not been followed.

It was suggested it should go to the management committee and then after it has a chance to meet, a report would be drafted and submitted to the House of Commons. That is the appropriate procedure and that is what is being done. Tomorrow during Routine Proceedings I expect the report will be tabled and will be adopted on the tabling.

Mr. Edwards: Mr. Speaker, you referred to unanimous consent. I think the unanimous consent issue before us, if indeed a unanimous consent issue is before us, is whether or not consent was given to interrupting Government Orders yesterday evening in order revert to motions to table a particular committee report. I think that is the focus of the unanimous consent issue.

The position the government takes is that we do not believe there were any improprieties at all. We believe the constitution of the committee on Bill C–91 was perfectly in order. Now that the House management committee has reviewed it and has in fact constituted that committee with the participation and consent of the Whips, that committee is now established.

Mr. Speaker: We have spent a lot of time on this today and I am going to come back to the difficulty the Chair may be having.

It seems to me that as a consequence of the extra meeting that was held today there is now agreement by the Whips. There is no need for another presentation to the House of Commons. The matter has been resolved.

An hon. member: No.

Mr. Speaker: The hon. member says no. I will hear an argument on it but I am having great difficulty following a suggestion that despite the meeting that was arranged today, despite the fact that there is unanimous consent, this whole procedure has to be gone through again. That is the difficulty I am having.

Mr. Riis: Mr. Speaker, I appreciate the difficulty. The management committee was convened today because there was not agreement among the Whips. Therefore the matter had to be referred to the management committee.

It was referred to the management committee and therefore the committee rendered a decision. That decision will now be represented in a committee report which will be tabled at the appropriate time. That is the procedure we follow.

• (1510)

As a matter of fact, Mr. Speaker, that was the procedure that we reconfirmed in the committee session earlier today. In other words, if the Whips cannot come to an agreement it must go to the management committee for a decision. That is what we did. The Whips could not come to an agreement and it was then placed before the management committee. It was on the agenda, it was dealt with.

That committee presumably will submit a report during Routine Proceedings tomorrow and then that report will be deemed to have been adopted. That is the procedure that we accepted in the committee today and I suggest, Mr. Speaker, that that is the process we should follow now.

Mr. Edwards: Mr. Speaker, my recollection of the events is that names were submitted yesterday, or prior to yesterday, by the Whips of all three parties to participate in the legislative committee for Bill C–91.

There was some challenge subsequent to that report being received by the House as to whether the report was properly constituted. There were some discussions this morning in the House management committee about how to establish greater certainty that the Whips had, in fact, put names in for legislative committees, in a generic sense.

There was also some discussion and disagreement about precisely what happens after the Whips submit names for legislative committees. There was never any dispute that the Whips of the three parties had submitted names for this legislative committee. The names are as they were tabled yesterday in the House by me on

behalf of the chairman of the House management committee.

I take the position, Sir, that that committee report has been received and that any dispute surrounding its reception has now been cleared up.

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, I just want to clarify one thing. The parliamentary secretary for the government House leader said that yesterday the report was properly constituted. We had a long debate about it here in the House. We decided in the House management committee that the report was not properly constituted because there was no meeting.

As a matter of fact, Mr. Speaker, the House management committee had to pass a resolution to adopt the report about a quarter to twelve. Therefore, I want to make it clear that yesterday's report was not properly constituted because there was no quorum, the meeting did not take place, and there was no unanimous consent.

I want to make the record clear, that consent was given through a House management committee vote in the committee room at a quarter to twelve today and not yesterday.

Mr. Edwards: Mr. Speaker, what my friend, certainly inadvertently, left out of the true statement that he just made is the fact that the House management committee has been operating for over a year now, I believe, under a system whereby if the Whips submit names for a committee that that authority is then delegated to the Whips to present that report through the clerk without a formal meeting of the House management committee taking place.

The discussion that took place in the House management committee today was how to achieve greater certainty that the Whips had in fact submitted the names. It was agreed that certainty could be achieved through requiring the signatures of the Whips to be attached, and that is the process that has been agreed will be followed in future cases.

Mr. Speaker: The difficulty that the Chair is having is this: The first thing I have to be sure of is, do the Whips agree as to the content of the report? If there is agreement, and remember it has already been presented to the House and was accepted unanimously—

Mr. Gagliano: Which report?

Mr. Speaker: A subcommittee. If there was unanimous consent, I am having very great difficulty in understanding why procedurally we need another submission of the report to the House.

It seems to me if there is now unanimous consent, the matter is over with and it stands. If I could find some rationale for coming to any other conclusion, I might be able to follow it but I am having difficulty.

Mr. Riis: Perhaps I can be helpful by suggesting the report tabled yesterday was an illegitimate report.

It was a report of a meeting that never occurred. How can you table a report of a committee that never took place? That was the argument we made.

I gave notice last night that we would raise it today. We said for the Chair to accept a report of a committee that never occurred seemed to be ludicrous, quite frankly. It seemed to be unreasonable.

In your judgment, Mr. Speaker, you suggested we attempt to resolve this in the management committee, and we did.

My friend, the parliamentary secretary to the government House leader said, as an item of business, the Whips have not been able to come to an agreement on the composition of the committee to receive witnesses to consider Bill C-91.

The question was then put to the committee. The motion was: "I recommend the following composition". There was some comment and I participated in it. Then there was a vote and it passed. In other words, the committee dealt with this very specific issue as it should have.

I therefore submit that since the committee has now held a meeting and dealt with the impasse successfully, it is now able to draft a report and submit it to the House. Upon submission, it will be considered adopted.

The appropriate time to do that is during Routine Proceedings, and we would expect to see it then.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I just want to make the obvious point.

For well over a year the procedure on legislative committees has been that each of the Whips submits the names of his representatives. That is deemed to constitute a meeting of the committee for the purposes of establishing a committee. That has been used for over a year with no difficulties.

On that basis, my parliamentary secretary tabled the report yesterday. The House leader of the New Democratic Party stood up and said: "Whoops, tilt". His Whip had not put in the right name. We subsequently found out his Whip had put in the name.

The names of the members on the committee are now known and there is no question as to who the people are. Yesterday the House unanimously agreed to the establishment of the committee with the same names that were known yesterday.

Do we now have to wait until tomorrow? I know one should not ascribe motives, but the net effect of this alteration of one year and one-half or more procedures has been to delay the start-up of this committee.

The purpose the New Democratic Party had in mind by misinforming the House as to what its Whip had done or not done is apparently part of the games around here. The public should know the reality is the committee is established by unanimous consent. The membership is known. Perhaps it is necessary to keep delaying for the purpose of delaying, but I wonder if the people of Canada think they are getting good value from their parliamentarians who are using these tactics.

Mr. Speaker: I have been trying to find a way to resolve this difficulty without having to make hard rulings.

• (1520)

I cannot make any further decisions until I know if there is consent to the substance of the report as a consequence of the discussion that took place this morning. If there is no consent, let the Chair know because then we are no further ahead than we were this morning. If there is consent, then I have to decide whether it is necessary to submit it again or whether the submission that went in yesterday stands as a consequence of the information I have been given and the undertakings I have heard.

Mr. Dingwall: I would hope the government House leader has read discussions we had this morning. I am sure it is very clear to the viewing audience and people who watch our proceedings that there is clear consensus and agreement on substance in the second report.

There has been no agreement on the first report, as my colleague, the House leader for the New Democratic Party has said and as my Whip from Saint-Léonard has indicated. That is the reason why it went back to the management committee for further deliberations.

Coming out of those deliberations there is now a consensus. I believe, quite rightly, this will tabled at the appropriate time, which will probably be tomorrow, and we will proceed.

To answer the Chair's question, yes, there is consensus on the second report because the first report was not submitted properly under the rules of this House.

Mr. Speaker: I may be losing track of this, but I thought there were two situations yesterday when the hon. parliamentary House leader proposed the report to the House and there was objection taken to the first. The parliamentary House leader gave it consideration, as I remember from the information given to me this morning. I do not know exactly what happened and it is not for me to consider, but when I came back to the House later it unanimously accepted the report. The opposition has made it very clear in a succinct and courteous manner that consent was not given on the substance of the report.

I thought we were trying to see whether it was agreed the substance of the report put in by the parliamentary secretary would stand as submitted. That position seems to make sense procedurally.

If I take the position put forward by the hon. member for Cape Breton—East Richmond, the hon. member for Kamloops and perhaps others, there is now disagreement on the floor of the House, not over the substance of the unanimous consent, but as to whether or not it is appropriate procedurally to have the parliamentary House leader, on behalf of the government, submit the report again tomorrow. It seems to me that is the question I now have to answer, if I have correctly understood everybody.

I will give that some consideration and report back to the House. I do not think I need any further argument. If there is something I have missed, I will need further argument, but I do not think I have.

Mr. Riis: There is one additional piece of information that might be helpful. The Chair accepted the report tabled yesterday of a meeting that did not occur. I think it is a very dangerous precedent if the Chair accepts a report submitted by a committee chair of a meeting that did not occur. It provides additional power now to the parliamentary secretary if this is accepted.

It provides additional power to the chair of the management committee, if that person is allowed to table reports of committee meetings that never occurred. I think that is a very dangerous precedent.

Mr. Edwards: In this place and in our committees, much of the lubricant to make things flow comes from goodwill, good faith, character and integrity.

Often we can agree with each other's suggestions, respond to each other and communicate with each other without a formal meeting actually taking place. I think my friend from Kamloops would acknowledge there have been a number of instances in the past year and beyond when committees have been constituted by consultation among the Whips, without a meeting ever actually taking place and through the delegated authority from the House management committee being deposited with the clerk.

I do not want that mis-impression to stay on the record. In this case I want to take just a minute or so to read from the "blues" of this morning's committee meeting because they respond to something my friend said earlier.

My friend suggested I said in the committee this morning that the committee, as deposited last night, was not properly constituted. I did not say that. This is what I said: "In the tabling of the report on Bill C-91 it was my sincere belief that all Whips had assented to the total composition of the committee. My subsequent investigation confirmed that and that is why I retabled it after having withdrawn it at Mr. Riis's request. I can give a very formal undertaking that the government would never proceed to put forward a list of names as chair or acting chair of the Standing Committee on House Management unless there had been proper submission of names by the opposition parties of their lists and the appropriate consultation. It was my belief that the consultation had taken place".

Finally, on the same pertinent point, I moved this morning in the committee the following: "That this committee accept that list as the legislative committee for Bill C-91". The committee accepted that particular motion which, in my view, confirmed the action of yesterday.

I submit that the agreement today and the consent you have obtained from the House leaders confirms the names as submitted in the report of the House management committee last night are the appropriate names and that committee now stands properly constituted, since the House has received the report.

Mr. Speaker: I am going to consider my position. I have been assisted a great deal with that argument and I will report back as quickly as I can.

* * *

BUSINESS OF THE HOUSE.

WEEKLY STATEMENT

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, my question is for the parliamentary secretary. Can he indicate to the House what the business will be for the remainder of today, Friday, Monday, Tuesday and Wednesday of next week? Perhaps he can indicate when a minister of the Crown will move that tomorrow is designated as a supply day.

I have a few other short questions on House business I would like to put to the parliamentary secretary.

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, in response to my friend's question today, we will be completing report stage of Bill C-26 on PS 2000.

Since my friend has guided me to that point, I will ask a minister of the Crown, namely my friend the hon. Minister of Multiculturalism and Citizenship, to formally designate tomorrow, Friday, November 20, as the first of three allotted days remaining for this supply period.

On Monday we will continue with report stage of Bill C-86, respecting the Immigration Act. On Tuesday, we will again continue with Bill C-86 and one hopes we will be able to finish it next week. Discussions will continue

with colleagues from the opposition on the business for the rest of the week.

• (1530)

Mr. Dingwall: Madam Speaker, two further points to the parliamentary secretary. I wish to inform him and members of the House since it is our supply day we will be moving a motion of non-confidence tomorrow. I do want to alert members of the government, although there will be a vote taken on that motion on Monday of next week.

My second comment to the parliamentary secretary is that he will know the Minister of Multiculturalism and Citizenship has had a report, *Paying Too Dearly*, which came from the Standing Committee on Human Rights and the Status of Disabled Persons some time ago. The minister has written to the chairman of the committee outlining why he could not give a written comprehensive response in the time provided by the Standing Orders. The rationale which was indicated in the letter was that because of the referendum, cabinet meetings were not taking place and it could not be given at this time.

I wonder if the parliamentary secretary and/or the minister could indicate as to when we will receive a comprehensive response to that particular committee report and if he could indicate to the House whether or not that will be soon or later because he is in breach of the Standing Orders of the House.

Hon. Gerry Weiner (Minister of Multiculturalism and Citizenship): Madam Speaker, consistent with the policy of the government and the House I am now waiting to consult my cabinet colleagues. The appropriate appearance will be taking place before a cabinet committee at a very early opportunity. I am now waiting for that appearance to take place. As soon as I have received the consent and agreement of my colleagues, you can be assured that I will bring forward the response I have prepared for *Paying too Dearly*.

While I am on my feet, I would like to formally designate tomorrow, Friday, November 20, as the first of three allotted days remaining for this supply period.

Mr. Dingwall: Madam Speaker, my final question to the parliamentary secretary relates to the comments which were made today by the Minister of Transport in terms of a decision which will be reached, as he indicated, later this week or very early next week concerning the situation with the airlines. I am wondering if the parliamentary secretary could reflect upon my request to convene some discussions with the Minister of Transport as to whether there will be a ministerial statement accompanying the announcement by the Government of Canada so that we would have sufficient time for our critics and the critics of the New Democratic Party to participate in that statement.

If there is no ministerial statement, in view of the seriousness of the subject matter, namely the airline industry, perhaps the parliamentary secretary would give some consideration to having all-party agreement for the purposes of an emergency debate at that time when the minister has made his decision. Would he give some consideration to that request?

Mr. Edwards: Madam Speaker, in answer to the first point of my hon. friend, I would say yes. I would take it as given that the normal courtesy surrounding a ministerial statement would be extended to the opposition so that they would have advance notice of that taking place if, in fact, it is going to take place.

On the second point, the question of an emergency debate by agreement on the airline situation following upon the minister's and cabinet's decision in the matter, I will take the representation of my hon. friend and make sure it is well-known.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I have two specific questions and one general one for my hon. friend. If he cannot indicate today, perhaps he could get back to the House and tell us when the amendments to the Canada Shipping Act to deal with marine oil spills will be brought before the House. We have waited some time now. There was some anticipation that they would be introduced before the Christmas recess.

Second, will the parliamentary secretary indicate when the new environmental assessment act will be given Royal Assent? Again, we have been waiting some time for that Royal Assent.

Last, this is more of a general question. Does the parliamentary secretary expect to be introducing any bills before Christmas that would actually create employment in the country?

Mr. Edwards: To give a very direct and specific answer to my hon. friend, no the parliamentary secretary does not intend to introduce any such bill. With reference to the other questions, I will have to make inquiries and get back to my hon. friend.

GOVERNMENT ORDERS

[*English*]

PUBLIC SERVICE REFORM ACT

MEASURE TO ENACT

The House resumed consideration of Bill C-26, an act to amend the Public Service Employment Act, the Public Service Staff Relations act and other acts in relation to the Public Service of Canada, as reported (with amendments) from a legislative committee; and Motions Nos. 33, 34, 36, 38, 40, 42 and 43 (p. 13624-13625).

Madam Deputy Speaker: There were five minutes remaining in the intervention by the hon. member for Trinity—Spadina.

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, I want to express my thanks for the consideration of the hon. Speaker who was in the Chair an hour and a half ago in reminding me that I have these five minutes.

Before Question Period I described what I think is wrong about the government's proposed policy of deployment of public servants. I will not repeat that now. I want to use these few minutes to suggest what I think is a better way.

I am referring to Motion No. 33 standing in the name of the hon. member for Kamloops. I will read the motion because this concerns a great deal of the public:

Motion No. 33

That Bill C-26 be amended in Clause 22 by adding immediately after line 14 at page 12 the following:

"(2) In applying subsection (1) Treasury Board shall, in the deployment of an employee, include in its direction the following factors:

(*a*) the need to develop the employee through additional work experience;

(*b*) the demonstrated need to fill a vacancy on an immediate basis;

(*c*) the demonstrated needs of both the employee and management and;

(*d*) compassionate grounds."

I think that this is a very reasonable and preferable alternative to what the government has proposed that I criticized before.

In my 18 years as a labourer on a factory floor in a unionized plant we had many disputes. I was involved in some of them as an employee; I was involved in some of them as an officer of the union. Generally speaking, we resolved those disputes not to perfect satisfaction but to workable relations. I might add, and I do not take all the credit for this, during the time I was working there and during the time I was an officer, there was no work stoppage. There was no strike. I credit in part the management of that enterprise which was a local branch of a large multinational corporation. I credit it in recognizing the necessity of considering the employees' needs when it expects the employee to consider the necessity of the employer's needs.

These are four very simple matters to recognize, not easy, but clear enough. One is the need to develop the employee through additional work experience, so if there is an improved job to be done, a better job through more experience, the employee, all employees, should have the same chance through the provisions for competition, through the provisions for appeal which appear to be denied by the government's new proposal.

Second, there should be a demonstrated need to fill the vacancy on an immediate basis. We had occasions when somebody had to fill in on a temporary basis because of an absence or an extra workload, but that did not create a permanent position. That should be observed here in the much greater matter of deployment, that maybe arrangements need to be made temporarily but it is different from using them as the grounds to do it permanently.

Third, the demonstrated needs of both the employee and management should be observed. This is not reflected in the company's proposal. It does say that no employee shall be deployed without the consent of the employee, but it does not give the employee any ground to stand on. If he or she feels that the deployment would be disadvantageous, he or she is not given by the government's proposal any ground to stand on to make that point, any ground by which to justify refusal.

• (1540)

Finally, on compassionate grounds, the employee is expected from time to time to recognize the employer's unusual need. I ask that the same be written in, that the employee may have an unusual need to reject the deployment.

Those are grounds for approving this very good amendment proposed by the hon. member for Kamloops.

* * *

POINT OF ORDER

REPORT OF STANDING COMMITTEE ON HOUSE MANAGEMENT—SPEAKER'S RULING

Mr. Speaker: First of all, I thank the hon. members for their indulgence in co-operating with the Chair twice today on adjournments on this particular issue. I am now in a position where I am going to have to make a ruling and I will probably file some careful reasons for it later. However it is in the interests of the House that a decision be made.

In my view, what happened today when the committee met is that the three Whips clearly agreed as to the substance of the report. It happens that what they agreed to today was the same as in the report that was put forward at the end of yesterday afternoon by the parliamentary secretary on behalf of the government.

I am satisfied, though, on what I have heard that for whatever reason, no matter what anybody may have personally felt or thought, there was not unanimous consent to the report that was filed in front of the House yesterday afternoon.

I felt this morning that it would be possible, if all hon. members involved were given a chance to meet together, that the report filed last night could be deemed to be accepted. But that also would require consent. That consent is not there.

So I am ruling the report of yesterday afternoon is null and void, and it is up to hon. members as to what they wish to do with the discussions that took place today.

If I feel it is appropriate, it may well be I will file more detailed reasons later because I know there is some concern by hon. members about the procedure we have been following. I am sorry that as your Speaker I cannot resolve it any better than that, but this is what I think we have to do.

* * *

PUBLIC SERVICE REFORM ACT

MEASURE TO ENACT

The House resumed consideration of Bill C-26, an act to amend the Public Service Employment Act, the Public Service Staff Relations Act and other acts in relation to the Public Service of Canada, as reported (with amendments) from a legislative committee; and Motions Nos. 33, 34, 36, 38, 40, 42 and 43 (p. 13624-13625).

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Madam Speaker, I just wanted to intervene here for a few minutes with regard to some of the remarks made by my colleague from the New Democratic Party. He certainly has mentioned some important issues such as workable relations, employees' needs and deployment.

I wanted to remind the House that the merit principle does remain for recruitment to and promotion within the Public Service. This is very important and is one thing that we discussed at committee level for quite some time.

Also, deployment requires consent, consent of the employee who is being moved. There is recourse in this process and the recourse does include an independent investigation that is under the arm of the Public Service Commission. We recognize that sometimes there could be problems, but we have looked at both sides of it and provided the process for investigation in case there is some sort of coercion. If you take those two things in conjunction, the merit principle is not compromised by moving employees when you have their consent.

In our meetings we heard from many witnesses who said deployment is extremely necessary. It is going on in private enterprise, in all our provinces in Canada, and throughout the world.

When there is no need for a position in one location and that person could be utilized in another, it is extremely advantageous to both the employee and the employer to move the best person with his or her consent. This gives both sides flexibility, which is something we need in the government and the Public Service to become more efficient and respond to the needs of the public.

I have heard throughout my community, and I think some of my colleagues have as well, that private enterprise has moved toward efficiency and better management of its funding and people. I think if we really look carefully, the merit principle remains and we will certainly be taking the consent of the employees on deployment.

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

Madam Deputy Speaker: The first question is on Motion No. 33. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

Madam Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

Madam Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Madam Deputy Speaker: The next question is on Motion No. 34. All those in favour of the motion will please say yea.

Some hon. members: Yea.

Madam Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

Madam Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Madam Deputy Speaker: The next question is on Motion No. 38. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

Madam Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

Madam Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

[*Translation*]

The next question is on Motion No. 40. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

Madam Deputy Speaker: All those in favour will please say yea.

Some hon. members: Yea.

Madam Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

Madam Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

[*English*]

The next question is on Motion No. 42. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

Madam Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

Madam Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 43. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

Madam Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

Madam Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Mrs. Marlene Catterall (Ottawa West) moved:

Motion No. 45

That Bill C-26 be amended in Clause 23 by adding immediately after line 19 at page 14 the following:

"(2) Without limiting the generality of subsection (1), the Commission shall, in respect of an appeal under subsection 21(1), make regulations

(a) requiring the disclosure of any document or information of which the appellant has no knowledge or that has not been communicated to the appellant and on which the deputy head might rely;

(b) prescribing a notice period of not less than two weeks in respect of the time and place of any hearing held for purposes of the appeal."

She said: Madam Speaker, the intent of this motion has been more fully dealt with by a couple of amendments proposed by my colleague, the member for Kingston and the Islands.

As he mentioned in discussing those amendments, we are endeavouring to correct the situation that is nearly a decade old, whereby a joint committee of both chambers of this Parliament and of all parties has repeatedly recommended the Public Service Commission have regulations as to how it conducts its hearings.

It has failed in the past to conduct its hearings with due regard for fair process and natural justice.

The amendment I have moved would require the Public Service Commission to make regulations. For nearly a decade it has persistently resisted the expressed views of reports to this Parliament from its own committees.

It has delayed responding to those reports. It has come close to expressing contempt for the opinions of parliamentarians as put forward in the reports of that committee to this Chamber and to the other place.

The commission is now saying it is going to conduct an inquiry to see what kind of regulations it should have.

After nine years of resisting the views of this Parliament as to fair process for employees appealing a decision, I think it is time for this Parliament to tell the commission it must have regulations and this is its opportunity to do so.

It is really quite simple but there is nothing in place, believe it or not, that now requires somebody who brings an appeal to the Public Service Commission to have access to all the information that will be used in considering that appeal.

It is impossible for an appellant to have fair justice, if he or she has objected to a decision and walks into a hearing not even knowing what information will be used in that hearing. Yet that is what happens consistently and that is why the joint parliamentary committee on the scrutiny of regulations has twice recommended regulations to ensure information is available to people whose livelihoods depend on the decisions made by the commission.

The other thing that can and does happen is people are not given adequate notice of a hearing that affects the very continuance of their employment in some cases. It affects whether they are dealt with fairly in promotions. The second part of this amendment requires the commission to have regulations saying people must have

at least two weeks' notice of the time and place when their own appeal will be heard.

It is only fair to allow a person to consider the information to be used in the hearing and consult counsel or a union representative. Yet there is no requirement and no body I am aware of that operates without regulations with respect to notice and the information to be provided to the person whose very future depends on the decision of that tribunal.

That is the sole purpose of this amendment. I ask, as my colleague from Kingston and the Islands did, that the government consider why it is willing to let the commission continue to stonewall the expressed wish of Parliament.

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, I want to speak to this particular motion and add a few comments.

I want to support the motion and the basic principle that we need to ensure the Public Service Commission will implement regulations to ensure due process and appeals. Surely that is a basic, fundamental principle upon which our labour relations are based.

My party, the Liberal Party of Canada, stands for a professional civil service that is non-partisan in nature and treats all employees with respect and fairness. It should be a model of labour relations in Canada. It should be a model in terms of the treatment of its employees as well.

The Public Service should be responsive to the needs of Canadians, draw the finest and the best and be able to keep them as well. We unequivocally support the merit principle. My colleagues and I denounce patronage and favouritism in the civil service.

We also believe deployments and re-deployments without consideration of the merit principle flaunt that principle. They counteract it and are inappropriate.

I note here that casual employees have virtually no rights, and I find that most unfortunate and inappropriate I might add. I think the whole concept of hiring any qualified person available is not necessarily a fair one. It could disregard the merit principle and we have to be on guard for that kind of possible violation.

I have noted on a number of occasions in this House that contracting out can cost more. While there have been deep cuts to the civil service and at times, the government has bragged about those, it has been unable and/or unwilling to show how many dollars have been spent on contracting out, and whether or not that contracting out has been more expensive for Canadians if one looks at the over-all total.

That is a question I placed on the Order Paper to which I failed to receive an appropriate, adequate or precise answer.

I note the bill does not deal with pension reform, and that is unfortunate. It was a golden opportunity to do so, and it could have addressed the whole notion of de-indexing pensions, which people are very nervous about and my party opposes.

I believe, as a former senior civil servant, there is an excessive use of regulations in some certain instances. There are too many exclusions from the collective bargaining process, and the increased flexibility for managers is not counterbalanced by increased accountability.

• (1600)

[*Translation*]

To sum up, I would say that the main thrust of this bill, and a very sound one at that, is to try and come up with a policy, a somewhat different one if you want, ensuring that our Public Service will be able to meet today's and tomorrow's needs, to retain the best men and women to answer the call of the Canadian people and provide them with top quality services.

My fear is that, if we get overly concerned with flexibility—as desirable as it may be at times—we will unwillingly end up missing out on the merits we were looking for, that is, the principles we wanted to be applied, and that would be unfortunate.

I noted in several instances, as you probably did as well, Madam Speaker, that many organizations besides the unions and the employees involved are concerned about these changes. Why? Certainly there are broad-minded people in these organizations, men and women who understand what the Public Service is about and share the principles I just mentioned, men and women who want to make sure that our Public Service is the best there is. If these people are concerned—and several are both against and concerned—why go ahead at this time?

Why not stop and reconsider, and try to come up with sound proposals that would address their worst fears.

[*English*]

I think it is important to ensure that our civil service remains at all times at the service of Canadians, staffed with the very best possible and, I stress again, with a code of conduct and labour relations that are the model for the country. If we, as the highest court of the land, are unable to give the example to other employers then why should we expect other employers to do what is right for their employees.

[*Translation*]

That is why I rose in this House today to share with you my thoughts about what should be done.

[*English*]

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, I want to make a few comments with regard to Motion No. 45. As my colleague from St. Boniface has indicated, I too am very much in favour of having a professional Public Service. By and large I think we do, but some of the rules and regulations which they, as employees, have to engage in from time to time leaves one wanting to ask a number of questions. Motion No. 45 addresses a very important aspect of the appeal process that an employee of the Public Service of Canada would have at his or her disposal should that be necessary.

The whole question on the issue of due process is something which has been a major study, if you will, in administrative law on a variety of different subjects. I would think that the parliamentary secretary, who is in the Chamber today, would want to concur that the rules of natural justice ought to apply to individuals who may be seeking an appeal based upon a particular complaint and/or an unfair action which may have been taken against them.

I want to indicate to the House regarding disclosure, the motion in part reads:

> (a) requiring the disclosure of any document or information of which the appellant has no knowledge

You do not have to be a Philadelphia lawyer to figure out that when you go before a commission which is going to make a decision which affects you personally and how you will interface with other employees, and may have dire consequences as to whether or not your position will remain in effect, it is essential in 1992 and certainly for years to come that germane information be made readily available to the person in question.

Canadians would find it rather repugnant if many of them were aware that under this particular procedure, documents would not necessarily be included and verbal information, files of that nature, were not fully disclosed to the appellant in question.

That is wrong. It is terribly wrong. People might want to argue that this is not a court of law. I suggest through the Chair to members opposite that we are talking about a quasi body which has particular functions. In this day and age when employment opportunities are so scarce as a result of government policy which I know Madam Speaker does not agree with, it is even all the more important to make sure that our regulations pursuant to appeals certainly follow a due process in the rules of natural justice.

We are not asking for the moon. We are asking for such basic things as requiring the disclosure of any document or information of which the appellant has no knowledge or, in another incident, that has not been communicated to the appellant and on which the deputy head might rely.

It would be terribly, terribly unfair. If you are going to a civil proceeding or a civil trial and information is sprung at one side, whether it be the appellant in a particular case, if that information is not made readily available it makes it very difficult if not next to impossible to prepare a proper case in order to respond to some of the allegations and to some of the suggestions which may be forthcoming.

The second part of it is very very simple. It is obvious. Perhaps it needs to be underlined. The second part of Motion No. 45 reads:

> (b) prescribing a notice period of not less than two weeks in respect of the time and place of any hearing held for the purposes of the appeal.

Two weeks is basically 10 working days, if that is what we determine under the purposes of the regulations. Surely an individual who has been aggrieved and wishes

to appeal that decision can have 10 working days or the equivalent of two weeks in order to prepare that appeal.

Those of us who have never been in situations or have had to go before a board which may adjudicate on our futures or how we interface with others workers in the work place might not find this to be overly important. I suggest to the Chair that when an appellant, an individual who has been aggrieved, has lost that and wishes to appeal that to a higher body, that individual may want to take, not an unreasonable period of time, but some time to reflect upon the decision in order to prepare a case which is reasonable, which is understandable and which they are comfortable with in presenting on appeal.

Therefore, it would seem to me that two weeks is not an inordinate amount of time to give to an individual who is aggrieved, has not been successful with that particular grievance and is now appealing that particular decision.

I want to share with the Chair that I would hope the rules of natural justice give the right to a hearing. It also implies that a fair hearing is a right. It would be similar if you, Madam Speaker, were to hear a point of order which was complicated in its nature and said to the House when 15 or 25 members wish to stand to make an intervention: "Well, I am not going to listen to anyone. I am going to make my decision". I think the regulations in part under this particular Motion No. 45 give the individual and the system a greater assurance that things will not be done in an arbitrary way. Notice and information will be provided so that proper and fair decisions can be made. After all, governments at the national level as well as at the provincial and municipal levels have to provide an example for the private sector and for the non-profit organizations throughout this country.

• (1610)

We are not asking for something which is totally unreasonable, out of line or unfair. I think it meets the test of being very reasonable and appropriate and also meets the test of rules of natural justice. I hope that members across the way will give careful consideration to the contents of Motion No. 45, keeping in mind that all of us from all political parties are interested in making certain that the professionalism of the Public Service is of a standard that cannot be questioned at any time.

ROUTINE PROCEEDINGS

[*English*]

SUBCOMMITTEE ON INTERNATIONAL TRADE

AUTHORIZATION TO TRAVEL

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): On a point of order, Mr. Speaker. I think you would find that there would be unanimous consent for the following motion:

That seven members and eight staff persons of the subcommittee on International Trade be authorized to travel to Vancouver, Calgary, Winnipeg, Halifax and Quebec City to hold hearings on the North American free trade agreement from November 29 to December 8, 1992.

Madam Deputy Speaker: Is there unanimous consent to move the motion?

Some hon. members: Agreed.

Madam Deputy Speaker: The House has heard the terms of the motion.

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

Some hon. members: Agreed.

Motion agreed to.

GOVERNMENT ORDERS

[*English*]

PUBLIC SERVICE REFORM ACT

MEASURE TO ENACT

The House resumed consideration of Bill C-26, an act to amend the Public Service Employment Act, the Public Service Staff Relations Act and other acts in relation to the Public Service of Canada, as reported (with amendments) from a legislative committee, and on Motion No. 45.

Ms. Joy Langan (Mission—Coquitlam): Madam Speaker, I am going to be very brief on this particular amendment. It is important to say that this amendment is attempting to ensure, as previous speakers have said, that natural justice is done. Everywhere else in Canada we believe in the basic principle of natural justice. To put this into plain language, what this amendment calls for is that the employee must be told what the employer is going to use against him or her and you be told in

sufficient time, two weeks, in order to prepare a response. It is as simple as that.

Both opposition parties would not feel so strongly in favour of this particular amendment and probably would have been satisfied with the government's clause on this had we not had a situation where three times out of the last nine years, in fact since the Liberals were in government, the agency responsible for the implementation of this act has been advised in reports that natural justice was not being served and they were failing very seriously in this regard. Three times in nine years they were failing and refused to protect in the most basic way the right of workers to a fair and open hearing.

I believe that clarifies why people on this side of the House are not satisfied to hear the government say: "We will protect the workers". We are asking for natural justice here, the right of a worker to have basic information about what he or she is being accused of and two weeks in which to prepare a response.

In our Canada that is not an outrageous or extreme thing to ask for, particularly with the track record of the commission.

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Madam Speaker, just before we take the question, I listened very carefully to my colleague from British Columbia. She served on the legislative committee and certainly contributed a great deal.

I just want to remind her and indeed all of us that the commission has committed itself to make regulations to this particular effect once Bill C-26 is through the House or is passed. It informed its members as of last April, so I think we have heeded some of this advice and some of the concerns that are there and indeed, this will be looked into and addressed.

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

Madam Deputy Speaker: The question is on Motion No. 45. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

Madam Deputy Speaker: All those opposed will please say nay.

An hon. member: Nay.

Madam Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

Madam Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the motion stands deferred.

Mrs. Marlene Catterall (Ottawa West) moved:

Motion No. 47

That Bill C-26 be amended in Clause 31 by striking out line 42 at page 17 and substituting the following therefor:

""Chair" for the word "Chairman" wher-".

Motion No. 49

That Bill C-26 be amended by adding immediately after line 43 at page 17 the following new clause:

"31.1 The French version of the said Act is further amended by substituting the words "la présidence" for "le président" wherever the latter occurs in the said Act."

Motion No. 75

That Bill C-26 be amended in Clause 78

(a) by striking out line 37 at page 49 and substituting the following therefor:

"78.(1) The English version of the said Act is"; and

(b) by adding immediately after line 4 at page 50 the following:

"(2) The French version of the said Act is further amended by substituting the word "présidence" for the word "président", the word "vice-présidence" for the word "vice-président" and the words "suppléance de la présidence" for the words "président suppléant"."

She said: Madam Speaker, I do not wish to speak long on any of these amendments, but simply indicate the purpose of them. I have sat through a number of legislative committees and I have certainly spent enough hours, in fact months, on this particular legislation.

A good part of our discussion has been about equity and fairness and in regarding all people as equal, based on their ability to do a job. Until the legislation passed by this House reflects an equal treatment of men and women and reflects in its language that we do not discriminate on the basis of gender, it will be very

difficult to change attitudes out there in society and in the work place about where women fit in society.

We have been very *ad hoc* in this Chamber about gender neutral language in our legislation. I am merely proposing language that is consistent with other bills that we have done. In fact, with respect to the French reference to *la Présidence*, that was a rare and welcome result of co–operation between government and non–government members on a previous legislative committee to come up with language that is equally gender neutral in French and in English. I would hope that notwithstanding the fate of these particular amendments, Madam Speaker, that you, and through you the Speaker, will take very seriously this issue of how legislation comes before the House so that it is consistently gender neutral.

• (1620)

[*Translation*]

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

Madam Deputy Speaker: The question is on motion No. 47. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

Madam Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion, the nays have it.

And more than five members having risen:

Madam Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the motion stands deferred. The same also applies to motions 49 and 75.

[*English*]

IMMIGRATION ACT

NOTICE OF ALLOCATION OF TIME TO CONSIDER REPORT AND THIRD READING STAGES OF BILL C–86

Hon. Gerry Weiner (Minister of Multiculturalism and Citizenship): Madam Speaker, an agreement could not be reached under the provisions of Standing Order 78(1) or (2) with respect to report stage and third reading of Bill C–86, an act to amend the Immigration Act and other acts in consequence thereof. Under the provision 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 allocating a specified number of days or hours for the consideration and disposal of proceedings of the said stages.

* * *

PUBLIC SERVICE REFORM ACT

MEASURE TO ENACT

The House resumed consideration of Bill C–26, an act to amend the Public Service Employment Act, the Public Service Staff Relations Act and other acts in relation to the Public Service of Canada, as reported with amendments from a legislative committee.

Madam Deputy Speaker: Motions Nos. 51 and 53 are grouped for debate.

Mrs. Marlene Catterall (Ottawa West) moved:

Motion No. 51

That Bill C–26 be amended in Clause 32 by striking out lines 7 to 9 at page 19.

Motion No. 53

That Bill C–26 be amended in Clause 32 by striking out line 21 at page 19 and substituting the following therefor:

"basis, unless the person has been so employed for a period of six months or more,"

She said: Madam Speaker, I want to speak very briefly on this and again on the issue of fair and equal treatment.

What this clause that I am proposing to amend does is define who an employee is for purposes of bargaining rights and any collective rights under the Public Service Employment Act.

One of the things it does is exclude part-time employees. Part-time employees and their access to full rights as workers is an important issue for women. It is an important issue for people with disabilities. Increasingly it is an important issue for all workers who are concerned about blending their work environment with their personal responsibilities. I think the government is well aware that in the private sector, as in the public sector, that is becoming a key issue on how one attracts and retains qualified productive employees. To exclude part-time employees from any collective rights whatsoever is archaic, to say the least. The government has taken one progressive step in giving part-time employees access to pension rights. It is also time to give them access to other rights as employees.

Motion No. 53 is a similar motion. In the legislation that is before us, "casual employees" are excluded from any rights. We previously debated casuals in the federal government. This legislation sets up a whole new group of employees that can be hired or fired on a moment's notice or on a whim. They have no rights. Nonetheless the legislation is set up so that they can continually, year after year, be working as casuals for the Government of Canada.

It is wrong to have casuals who may be with you year after year with absolutely no rights as employees. These would be full-time people who would have no benefits, no rights to grieve, no rights to complain if they have been dismissed, no matter how long they have been with the government. They have no right to appeal any action taken against them.

This leaves us open again to full arbitrary action by those who have control over their lives. In both these cases, a humane, fair and just work place requires that these employees have access to rights.

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Madam Speaker, once again I would like to say thank you to my colleague from Ottawa West. I do recognize some of her concerns.

Today, part-time employees who work more than 12.5 hours per week have collective rights. They have had them since 1967. That is not going to change under the bill.

We did make some extensions with regard to 3,000 and 4,000 employees who were previously excluded on confidential grounds unrelated to labour relation confidentialities. We have made some rights in that area.

We are speaking of casual labour. I know and understand the concerns that the people have, but the amendments with regard to casual labour in clause 16 of the bill provides that casual employees may be appointed for a period of up to 90 days. That can be extended, but in no case can they work more than 125 days.

This is consistent with many of the labour relations acts right across the country. We are being extremely consistent and we have recognized the concerns of our people.

Ms. Joy Langan (Mission—Coquitlam): Madam Speaker, the hon. member for the government side of the House is absolutely right. The government is consistent. It is consistently mean-spirited and determined to take away every right that a public sector worker under its jurisdiction has, wants or should have under what we, as Canadians, believe are basic rights of working people.

It is quite misleading for the hon. member to say that part-time workers have had the right after so many hours for an indefinite period of time. Yes, that is true, but casual workers do not. There are casual workers right here in this building who have been working for the government for 20 years and are still casual workers.

They have no rights to vacation, they have no rights to collective bargaining protection, they have no rights to union protection and they have no rights to grieve. They have no rights, period. They have worked here for 20 years, and I can parade them out for this government any time it wants to know who they are.

The problem is that they are afraid to speak out. They are afraid to say anything because they have no rights. I am sorry if I sound a little bit uptight about this but it is a very important issue. It is time that workers who work for this government and this country get the protection that all workers should enjoy. They should not be treated as a different class of worker for endless years.

We are not talking about casual workers when it is 20 years. There is nothing casual about that. That is a lifetime commitment to this country and to this government.

• (1630)

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

Madam Deputy Speaker: The question is on Motion No. 51. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

Madam Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

Madam Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the motion stands deferred.

The next question is on Motion No. 53. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

Madam Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

Madam Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the motion stands deferred.

It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Saint-Laurent—Cartierville—Court Challenges Program; the hon. member for Kootenay West—Revelstoke—Westray Mine; the hon. member for Saint-Léonard—Montreal's Economy; the hon. member for South West Nova—Fisheries.

Ms. Joy Langan (for Mr. Riis) moved:

Motion No. 55.

That Bill C-26 be amended in Clause 32 by adding immediately after line 41 at page 19 the following:

"(2.1) That the definition of "grievance", other than paragraphs (a) and (b), in section 2 of the said Act is repealed and the following substituted:

"grievance" means a complaint in writing presented in accordance with this Act by an employee on his or her own behalf or on behalf of the employee and one or more other employees or by a bargaining agent acting on its own behalf or on behalf of one or more employees, except that".

Mrs. Marlene Catterall (Ottawa West) moved:

Motion No. 56

That Bill C-26 be amended in Clause 32 by striking out lines 42 to 45 at page 19 and substituting the following therefor:

"(3) The definition of "grievance" in section 2 of the said Act is repealed and the following is substituted:

"grievance" means a complaint in writing presented in accordance with this Act by an employee on behalf of the employee or on behalf of the employee and one or more other employees or a complaint in writing presented in accordance with this Act by a bargaining agent acting on its own behalf or on behalf of one or more employees, except that".

Ms. Langan: Madam Speaker, it is really important that we start to see the pattern emerging here. We are starting to see a pattern of amendments to the Public Service Staff Relations Act that include things like endless terms for casuals, with no willingness to take a look at the unfairness of that, and clauses such as those we have just had motions on that take away workers' rights and allow the government to transfer people with impunity. All the way through the discussions on this in the community hearings, in the committee meetings following that, in the clause by clause debate in committee, and now in the House we consistently see that paternalistic big brother attitude of trust us, trust the Public Service Commission. It said it would do it years ago and it still is not doing it.

It is important that we start to view this document for what it is, and that is a mean-spirited, nasty document that is designed to take away rights. It is designed to set the pace because what happens in the federal government service sets the attitude and the pace for federal

jurisdiction collective bargaining and federal jurisdiction corporate attitudes.

It is important too when we address the amendment regarding grievances to be very clear on what this motion is about. It would bring the rights of public sector workers into line with the rights of private sector workers. It is not a lot to ask, not an unreasonable request. That is in the area with regard to grievances.

As it currently stands, the Public Service Staff Relations Act without this amendment does not allow unions to have policy grievances. This motion would remedy that omission in the act. If the representatives of the worker are truly to be regarded as partners in the work place, as we have heard so vociferously from the government in the past couple of years about the partnership in the work place, the unions then must have the right to pursue work place issues which affect their membership and even in the absence of an individual griever.

Why would the union have to have the right to pursue a grievance in the absence of an individual griever, one might ask. Because in many instances a worker is too intimidated because of threat or fear, it may be unfounded fear, of reprisals if he or she grieves against the employer.

This amendment allows the union, on behalf of that worker who is afraid to grieve, the right to grieve on his or her behalf. That is all this amendment does. The government has decided in its wisdom this is another right that we are not prepared to allow our workers to have.

This is not a new concept in the labour relations field. It is something that private sector workers enjoy under labour codes across this country, including the Canada Labour Code. If you work for the government, you do not have the rights that a worker in the private sector under the Canada Labour Code has.

Given the restrictions on collective bargaining already faced by the unions in the federal public sector, this motion is a very small step toward the recognition that the workers and their representatives have the right to seek and receive a determination of their rights. It is about protecting an individual worker and ensuring that every opportunity is there so that an aggrieved worker with no fear of repercussion can grieve.

It is not a frivolous motion. It is not intended to open the door to a flood of silly grievances or bum beefs. It is a serious amendment that would ensure a worker has the right without fear of recrimination to grieve that he or she is protected. It is also a motion that would provide the union with the right to a policy grievance if the worker did not like the working conditions but it was contrary to what has been agreed to in the collective agreement.

I would ask again that the government take this particular motion into account as being a fair-minded one and when we vote on these motions on Monday would support this amendment.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, I do not want to repeat what has already been said by my colleague from Mission—Coquitlam. However, it is time for the Public Service Employment Act to come a little closer, for its own employees, to rights enjoyed by every other worker across this country. The issue of the individuals who are afraid of reprisals if they stand up for their rights is a very real one. It is becoming even more crucial because of the amendments in this piece of legislation before us.

• (1640)

We have talked earlier about casual employees who will have no rights. A whole new classification of employees is being created in Bill C-26. We have talked about deployment, which is going to apply, ultimately, to virtually any appointment within the Public Service except the initial hiring. There will be virtually no right to appeal or complain against deployments which can move one from here to Halifax, from Halifax to Vancouver, from one department to the other, up the scale or down the scale of salaries. Because of those deployments, opportunities to advance and fear of being demoted will depend on the goodwill of the supervisor, there is going to be even more reluctance than there is now to complain in an informal way or launch a formal grievance.

It becomes even more important then that public service employees have the ability to complain or launch

a grievance on behalf of a group of employees who are all affected, rather than each of them having to individually launch a grievance and be subject to reprisals.

One may say that does not happen. We have wonderful managers and that simply does not happen. The whole grievance procedure ensures it happens. The whole hierarchy in the Public Service ensures it happens. I have seen complaints from people about harassment that drag on month after month after month, going up the line from a supervisor who is responsible to a supervisor above him or her. Each one simply reaffirms the decision taken at the previous level. That is the way it works, let us be honest.

People stop making complaints, accept unjust treatment and are subject to reprisals when they do complain or grieve. If any of us are listening to our constituents who are Public Service employees, we know it happens. That is why this ability to take a collective agreement is essential if we truly want a public service where harassment and reprisals against people for standing up for their rights are not the rule but the exception. Then these amendments to the grievance procedure are absolutely essential.

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. 55. 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), a recorded division of the proposed motion stands deferred. There is no necessity then to put the question on Motion No. 56.

It being 4.45 o'clock p.m., pursuant to order made Tuesday, June 23, 1992, in accordance with Standing Order 78(3), it is my duty to interrupt the proceedings and proceed to the putting of the question on all remaining motions at the report stage of Bill C-26, an act to amend the Public Service Employment Act, the Public Service Staff Relations Act, and other acts in relation to the Public Service of Canada.

Ms. Joy Langan (for Mr. Riis) moved:

Motion No. 58

That Bill C-26 be amended in Clause 32 by striking out lines 42 and 43 at page 20 and substituting the following therefor:

"in the executive group,".

Motion No. 59

That Bill C-26 be amended in Clause 32 by striking out lines 1 and 2 at page 21.

Mrs. Marlene Catterall (Ottawa West) moved:

Motion No. 60

That Bill C-26 be amended in the English version of Clause 33 by striking out line 42 at page 21 and substituting the following therefor:

"the determination of any".

Motion No. 62

That Bill C-26 be amended in Clause 33 by striking out line 47 at page 21 and lines 1 to 4 at page 22 and substituting the following therefor:

"sibilities and authority over employees;".

Motion No. 64

That Bill C-26 be amended in Clause 33 by striking out line 13 at page 22 and substituting the following therefor:

"conflict of interest by reason of the".

The Acting Speaker (Mr. Paproski): The question is on Motion No. 58. 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), a recorded division on the proposed motion stands deferred.

• (1650)

The next question is on Motion No. 59. 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), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 60. 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), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 62. 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), a recorded division on the proposed motion stands deferred.

The final question in this grouping is on Motion No. 64. 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), a recorded division on the proposed motion stands deferred. We will now proceed to the next grouping.

Ms. Joy Langan (for Mr. Riis) moved:

Motion No. 66

That Bill C-26 be amended in Clause 36 by striking out line 21 at page 24 and substituting the following therefor:

"unit with respect to their rights under the collective agreement that is applicable to them."

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 nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Ms. Joy Langan (for Mr. Riis) moved:

Motion No. 67

That Bill C-26 be amended in Clause 41 by striking out line 28 at page 25 and substituting the following therefor:

"regard to, but not be limited by, the plan of classification, including".

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 nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Ms. Joy Langan (for Mr. Riis) moved:

Motion No. 68

That Bill C-26 be amended in Clause 41 by striking out line 36 at page 25 and substituting the following therefor:

"included in it or would not represent a community of interest amongst the employees and, for such reasons would not".

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 nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Mrs. Marlene Catterall (Ottawa West): moved:

Motion No. 70

That Bill C-26 be amended in Clause 48 by striking out line 32 at page 28 and substituting the following therefor:

"ment, the Board, if it is of the opinion that a fact finder could assist in reaching an agreement, after the Chairperson has".

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 nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Motions Nos. 72 and 73 have been grouped together.

Ms. Joy Langan (for Mr. Riis) moved:

Motion No. 72

That Bill C-26 be amended in Clause 68(1)

(a) by striking out line 14 at page 44 and substituting the following therefor:

"amended by striking the first line of the paragraph and substituting the following therefor: "Where an employee or a bargaining agent has presented a" and by striking out the word "or" at the";

(b) by striking out lines 21 to 31 at page 44 and substituting the following therefor:

"or designated pursuant to subsection (3),

(i) disciplinary action or,

(ii) termination of employment.

(c) In the case of an employee not described in paragraph (b) and the grievance has not been dealt with to the satisfaction of the employee or bargaining agent, the employee or bargaining agent may, subject to subsection (2), refer the grievance to adjudication.

(i) An employee is not entitled to refer a grievance to adjudication unless the bargaining agent for the bargaining unit, to which the collective agreement or arbitral award referred to signifies in the prescribed manner its approval of the reference of the grievance to adjudication and its willingness to represent the employee in the adjudication proceedings.";

(c) by striking out lines 35 to 39 at page 44.

Mrs. Marlene Catterall (Ottawa West) moved:

Motion No. 73

That Bill C–26 be amended in Clause 68 by striking out lines 29 to 31 at page 44 and substituting the following therefor:

"described in paragraph (b), demotion, termination of employment, or disciplinary action,".

The Acting Speaker (Mr. Paproski): The question is on Motion No. 72. 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), a recorded division on the proposed motion stands deferred. Motion No. 73 will not be voted upon at this time.

Motion No. 77 will be voted upon separately.

Mrs. Marlene Catterall (Ottawa West) moved:

Motion No. 77

That Bill C–26 be amended in Clause 81 by striking out lines 36 to 39 at page 50 and lines 1 to 6 at page 51.

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 nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Mrs. Marlene Catterall (Ottawa West) moved:

Motion No. 79

That Bill C–26 be amended in Clause 81 by striking out lines 11 to 15 at page 53.

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 nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Mrs. Marlene Catterall (Ottawa West) moved:

Motion No. 81

That Bill C-26 be amended in Clause 101 by adding immediately after line 14 at page 61 the following:

"(3) Groups of employees shall be specified and defined according to a system of classification that does not discriminate on the basis of gender."

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 nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Normally at this time, the House would proceed to the taking of the deferred divisions at the report stage of the bill now before the House. However, pursuant to order made Wednesday, November 18, all recorded divisions at the report stage of the bill are deferred until Monday, November 23, at six o'clock p.m.

May we call it five o'clock?

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): It being five o'clock, pursuant to Standing Order 30(6), the House will now proceed to consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

CRIMINAL CODE

MEASURE TO AMEND

Mr. Stan Keyes (Hamilton West) moved that Bill C-330, an act to amend the Criminal Code and the Parole Act, be read the second time and referred to a legislative committee in the Departmental envelope.

He said: Mr. Speaker, on behalf of my constituents in Hamilton, the victims of crimes and their families, the 55,000 Canadians who have signed the petition in support of Bill C-330, and on behalf of the regional municipality of Waterloo, the corporation of the city of Cambridge, the corporation of the city of Kitchener, the corporation of the city of Hamilton, the Canadian Police Association, the Ontario Police Association, and the Ontario Police Chiefs, it is an honour and a privilege to rise in this House to debate second reading of Bill C-330.

As many of us watch and participate in the House today and as many of the Canadians who have written to me are watching and are aware of this debate, the bill rose out of concerns of victims of violence. It arises from the multitude of tragedies and unspeakable anguish of victims of violent crimes, be they the victims of an assault or the parents or spouse of a deceased victim who have lost faith in our system of justice and want change.

Let me be clear at this point on their aspirations. These victims of violent crimes do not want to get even. They are not looking for any kind of revenge. They want a system of justice to take into consideration; first, the views of the victim of a violent offence as it relates to the sentencing of the individual charged with an offence, and second, the protection of the public from violent offenders.

It is truly amazing from the many, many town hall meetings I attended with members of families who are themselves victims of violence that these families are not out for money. They are not out for revenge. They just plain and simple do not want to be victimized again. They do not want others to go through the same tragic circumstances they have had to live through.

Victims of violent crimes and hundreds of thousands of Canadians know that despite the changes made to date on parole legislation through Bill C-36 and the codification of existing legal practices and conventions through Bill C-90, this is just the first step. So much more can be done to address the concerns of victims of violence.

Back in March 1991 I met with members of the Edwards family in my Hamilton constituency office. The Edwards family are the victims of a most brutal crime. Sitting across from me was Michelle Edwards who watched as her parents were murdered in their home. With her was her brother-in-law, Terry Smith, who has been a valuable friend and confidant and someone who has helped me construct this bill from that very first visit back in March 1991.

• (1700)

They were in my office just a week after Michelle's parents were murdered. Their fear at that point, a week after that murder, was that there was a good possibility they had heard that the murderer of Michelle's parents, if convicted of the crime, would be released from prison in as little as 15 years. In fact, their fear was that if convicted the individual would be eligible for escorted day passes. There were questions as to how the murderer was out on bail. He was charged with a violent offence at the time and was out on bail. The very woman sitting across from me in my Hamilton constituency office had watched this individual murder her parents while out on bail.

Upon completion of the six week trial the individual in question was convicted of two counts of first degree murder and one count of attempted murder. As it was described to me the Edwards family truly believed that the individual would serve the rest of his life in prison for these crimes.

In fact, when they came out of the court room after having sat through all that trial and having watched the individual be convicted of his crimes, people were coming up to them and saying: "Congratulations. You will not have to worry about him anymore; he is in jail for the rest of his life with no chance of parole". To their horror and in fact disgust they painfully learned that not only would this individual serve just one sentence for all three convictions, or as Michelle put it to me: "He killed my mother. The death of my father and the attempted murder of me were freebies". He would be eligible for full parole in just 15 years. In fact, under the current law he is eligible for an escorted temporary absence today.

If that crime had happened to any of us sitting in the House today, how do you think we would respond? From the beginning Bill C-330 was a response not only to this personal and tragic case but it also became a focus of bitterness and sorrow following the murders of Nina de Villiers, Kristen French, Leslie Mahaffey and Kayla Klaudusz. All these shook southern Ontario specifically in 1991.

Before explaining the details of Bill C-330 to this House I want to explain the government's legislative initiatives for the public. This is all necessary in order to highlight the fact that even the most recent amendments to our laws fall very short of the types of amendments victims of crime and the cause of public protection deserve.

Bill C-36 introduced by the Solicitor General in October 1991 and proclaimed in June of this year is in essence a reshuffling of the deck of parole and the related provisions of the Criminal Code. What I mean by this is that the bill was heralded by the Solicitor General in the following way: "The act contains significant measures to reform the legislation. Above all, these measures assert that the primary duty of the corrections system is protection of the public". In fact, Bill C-36 did attempt to comfort the victims of violence but what it did not do was assure those victims of violence. What it did do is create more laws but not enough justice.

How about those dangerous offenders, offenders who are convicted and sentenced to federal prisons for offences such as sexual assault, aggravated sexual assault, assault with a weapon and murder? Violent offences. The changes to legislation with respect to these offenders were not the types of changes that would benefit public protection.

For offences other than murder, offenders are eligible for full parole after serving one-third of their sentence. If the National Parole Board considers an offender fit for parole they can be paroled. However, under a provision of Bill C-36 called statutory release at two-thirds of their sentence, offenders must be released from prison.

I ask you, Mr. Speaker, if certain offenders have not been released at the one-third point of their sentences because the National Parole Board considers them unfit for full parole does this legislation meet the test of public protection if they must be allowed full parole after serving just two-thirds of their sentence? No.

The government's bill fails the test of public protection. It is nothing short of a farce. It has been allowed to trumpet this bill as representing the paramountcy of public protection. Nothing could be further from the truth.

At the time of passage of Bill C-36 we in the official opposition called on the government to simultaneously provide sentencing legislation because we cannot have one without the other. Finally it produced Bill C-90 which we on this side of the House believe also fails the test of public protection.

What does this House know about our system of justice and parole? The House recalls the case of Daniel Gingras, an inmate at the Edmonton institution who escaped while on escorted temporary absence to the West Edmonton Mall. It was deemed to be for rehabilitative reasons. He was allowed to go to the mall because it was his birthday.

Daniel Gingras was able to convince the warden of the penitentiary to allow him to go with an escort smaller than the larger burly escort who was scheduled to take him. He escaped his guardian's custody and while at large from prison murdered two people and later was convicted on two counts of first degree murder.

There are so many other examples, all violent criminals, all individuals who are convicted of murder or rape. Daniel Gingras as we mentioned on escorted temporary absence in the province of Alberta, went on to murder two more people. Alan Légere on medical temporary absence in New Brunswick went on to murder four people. Patrick Mailloux on day parole in New Brunswick went on to murder one more person. Joseph Fredricks under mandatory supervision in Ontario went on to murder one person. Melvin Stanton on day parole in Ontario went on to murder one person. David Rose, out on day parole in Alberta went on to murder one person.

How about the latest? I have 18 names here, Mr. Speaker. My time is short. How about Dean Cyr? That is a name we have all read in the papers just recently. While out on parole in the province of Alberta he murdered two more people.

A man who gunned down nine members of a Saskatchewan family and sentenced as Canada's first mass murderer has been released from Penetanguishene hospital although the public was not informed. Is this protection of the public?

Again I ask my colleagues in this House to put yourselves in the shoes of the victims of violence. Are these not frightening examples of how the justice system has failed victims of violence? These situations which I have outlined are only the thin edge of the wedge. They represent only a fraction of the cases where violent offenders are released from prison on day parole or temporary escorted and unescorted absences, who have committed violent crimes and Canadians feel powerless to do anything about it.

As a former Alberta crown prosecutor, Scott Newark, has noted, a list of offenders he recently compiled shows that in the last five years 19 offenders were found to have been responsible for 22 murders while on some form of parole. As Scott Newark noted, Canadians should be made aware of these incidents because he wants them to know that they are not the exception to the rule. They occur much more frequently. He wants Canadians to know that these are not cases of offenders falling through the cracks because if they were, these cracks are as wide as the Grand Canyon.

Under Bill C-330 I believe that Canadians can feel secure. Unlike Bill C-36 and Bill C-90, Bill C-330 does protect the public. It provides public protection and the rights of victims as its paramount objectives. Under my bill, victims of violence will have rights, rights not considerations.

• (1710)

The victims of violent crimes or their families or their spouses, if the person is deceased, must be consulted throughout the judicial process. It is not much to ask. When an offender is arrested, the victims must be notified of his or her release on bail. If the offender commits an act while out on bail, he or she will be incarcerated pending trial.

Victims of crime will be consulted all the way through the trial. They will be present at pre-trial hearings, where so often the plea bargaining process that Canadians hear about will be curtailed because the victim's statements must be taken into consideration and lesser charges will not be traded off to dispense with the case.

When the offenders are convicted, victims of crime must be notified of any change in incarceration of that inmate. Victims would be notified of the day on which an inmate was scheduled for parole, the days on which the inmate would be absent on escorted absence for rehabilitative reasons, and any escape of the offender.

With respect to unescorted or escorted temporary absences, for violent offenders convicted of sexual assault, aggravated sexual assault, assault with a weapon, and murder, Bill C–330 would deny day passes and escorted or unescorted absences. Bill C–330 would keep those violent offenders in jail until they were eligible for full parole. If they wanted to be released on a day parole or on an escorted or unescorted temporary absence for humanitarian or rehabilitative or medical reasons, they could get it. But that decision would have to come directly from cabinet.

This is what we are talking about. We are talking about public protection and accountability. Members of the National Parole Board are seen as somehow isolated from the concerns of Canadians, and perhaps they are in many respects. Certainly we have many examples of that. This bill would make our elected cabinet responsible for releasing offenders and make the system accountable. Is that not what Canadians are crying out for today? They want accountability.

Bill C–330 would deny parole to offenders convicted of first degree murder. The law currently states that the remedy for persons convicted of first degree murder is life in prison with no chance of parole for 25 years. This bill would remove eligibility for parole. Life would mean life. For the thousands of victims in Canada who want real protection, life means life.

That may be harsh, and I know some members in this House would find that too tough. I have spoken to the Edwards family. I have consulted with them and I said, look, there may be members in the House of Commons who might not agree with you, and in fact may not allow—if you can imagine for a moment—this bill to go on to committee stage for a full and frank discussion, because of that particular motion. The Edwards family said fine, then tell them.

We go to committee stage and just maybe we can discuss it, and if it is too harsh then what we can do is not have life mean life, but maybe we can put forward the position that if an individual is convicted of three murders then that individual gets a 25 year sentence for each of the murders. In our current system, if I go out and murder someone, then another one, and another one, as happened to the Edwards family, I go to jail for one term of 25 years if convicted. So it was a freebie for me that I murdered her father. It was a freebie for me that I almost murdered Michelle. All these are freebies, because I will only go in for 25 years. Then I will be eligible for a reduction by parole to 15 years. I can apply.

Is there anyone among us here tonight who would say that we are not even prepared to discuss this issue at committee stage? I would like to seek the unanimous consent of this House that at the conclusion of this debate, at one minute to six, to move Bill C–330 to a legislative committee in the departmental envelope.

I thank you for that consideration, Mr. Speaker, and I thank my colleagues in the House of Commons for their attention. I know they have received mail and petitions. I thank the victims of violence who participated in the process of this bill: the Edwards family and the Smith family who consulted with me and helped me structure this bill. I also thank the legal clerk of the House who helped me put this bill together. I thank all those people who took pen in hand, in all the communities across this country, not just Ontario, and put their signature to a petition that said: "Please, at least give us the opportunity to have the open discussion at committee stage".

The Acting Speaker (Mr. Paproski): I would like to read that to the House and get consent.

The member seeks the unanimous consent of this House to move Bill C–330 to a legislative committee in the Departmental envelope. Is there unanimous consent?

Mr. Keyes: Mr. Speaker, what I am asking for is that you move that motion at the conclusion of the frank and open discussion in my private members' hour.

The Acting Speaker (Mr. Paproski): So you want the unanimous consent at the conclusion of the debate.

Mr. Keyes: Yes, thank you.

[*Translation*]

Mrs. Monique B. Tardif (Parliamentary Secretary to Solicitor General of Canada): Mr. Speaker, thank you for letting me speak today in the debate on Private Member's Bill C–330. It seems that the criminal justice system has held a place of prominence in the House in recent months. The Minister of Justice has sponsored legislative reform in the areas of sexual assault, gun control, young offenders, extradition, mental disorder, and sentencing. The Solicitor General has done his share in legislative reform with amendments to the Criminal Records Act and sweeping reform, indeed the complete replacement, of the Parole Act and the Penitentiary Act through Bill C–36 which has created a new Corrections and Conditional Release Act.

Far be it from me to say that any legislation, no matter how newly minted, is perfect for all situations. It is our duty as legislators to remain vigilant for changing circumstances that may require the reform of existing laws and we must be alert to inconsistencies and anomalies in our laws that may give rise to injustices. The private member's bill is a mechanism by which reparative measures can be suggested—and sometimes enacted. I need not remind hon. members that the persistence of the hon. member for Mississauga South in the matter of pardons had much influence on the recent initiative which revised the Criminal Records Act. I am a great believer in the importance of those items debated under Private Members' Business.

• (1720)

The bill before us, standing in the name of the hon. member for Hamilton West, seems to fit right in with the recent government reforms in the area of criminal justice.

I fear however that Bill C–330, an act to amend the Criminal Code and the Parole Act, asks us to reconsider items that could have been included in Bill C–36. Indeed, many of these points were reviewed extensively by witnesses and parliamentarians in the process of passing Bill C–36.

As all hon. members probably know, Bill C–330 was referred to the Standing Committee on Private Members' Business, where all parties are represented. Upon review, it was determined that since this bill did not have unanimous support in the House of Commons, it would not be put to a vote at second reading.

I know that some tragic events in and around the constituency of Hamilton West have put tremendous pressure on the hon. member and on us all to find solutions to problems in the field of criminal justice.

The public reaction to recent deplorable and senseless crimes is quite understandable. Canadians' efforts to urge the government to make changes are commendable. However, I think that several of the amendments proposed in the bill are already in the new Corrections and Conditional Release Act, while some of the other proposed measures do less for victims than this legislation.

In the limited time available to me, I would like to show you how the government has already addressed many of the key issues in Bill C–330. I think that hon. members will then see that the bill before us as it is does not reflect the best interests of the Canadian public.

The new Corrections and Conditional Release Act came into force on November 1, 1992. It provides a comprehensive set of rules governing how a prison sentence is to be served and when and how release will take place.

This legislation makes it clear that public safety is the paramount consideration in all correctional decision-making and provides explicit criteria for correctional and conditional release decisions. The legislation provides authority and direction to correctional staff and officials and informs offenders of the nature of their obligations and rights, as well as the limitations on those rights.

It promotes more effective exchange of information concerning offenders between correctional authorities, the courts, the police and officials responsible for release. Of great importance is the specific authority it provides for the release of pertinent information about offenders to victims of crime. This is also a key feature of Bill C–330.

In fact, Mr. Speaker, the new law provides better protection to victims and involves them more in the correctional and conditional release process. Its provisions for use of victims' statements and for sharing information are not restricted to certain categories of offences or to certain decisions. Bill C–330 is restricted

in these respects, and would exclude certain victims from participating in these ways.

The new act allows for victim input at all points in the correctional process. Similarly, it allows victims of any criminal act, not just the few crimes listed in Bill C–330, to request specific information on offenders.

The CCRA goes even further, in that it permits the National Parole Board to increase public access to parole hearings by giving it the authority to decide who may attend them as an observer.

This will allow more members of the public, including victims, to attend hearings and will help open up the parole process, demystify it and promote accountability in parole decisions.

A number of elements in Bill C–330 are not compatible with the new act and therefore should not be supported. For example, Bill C–330 would restrict certain types of conditional release for certain violent offenders. Of course the government endorses the principle that violent offenders should be more closely scrutinized and more stringently dealt with than non–violent offenders. That is at the heart of the CCRA. However, the government also recognizes that gradual, structured, controlled release of offenders is in the community's best interest. Eliminating certain types of conditional release for those offenders who most need a structured, controlled return to the community makes no sense to me.

We must remember that not only full–time release to the community is involved. We are also talking about short–term releases whereby offenders can obtain therapeutic treatment in the community when such treatment is not available in the institution.

Surely that type of release, where the offender does not pose a risk, is in the best interests of both the public and the offenders. Yet Bill C–330 would abolish that type of release for those offenders who need it most.

The bill also proposes that certain temporary absence passes be approved by cabinet rather than by the National Parole Board. The Solicitor General commissioned a comprehensive outside review of the temporary absence program as part of the reform of the correctional system. Nowhere in the report, which was written by a panel consisting of a lawyer, a former member of Parliament and a former police chief and which endorsed the temporary absence program subject to a number of recommendations, did they recommend that authority for temporary absences be turned over to cabinet.

If a temporary absence program is to be effective, it must have decision–makers who are familiar with the individual offender's case, and it must be able to respond to situations where, for example, an offender requests a pass to attend the funeral of a family member being held within a day or two. Requiring such requests to go to cabinet would be extraordinarily cumbersome and completely counterproductive to the aims of the temporary absence program. If accountability for decision–making is the issue, I would suggest that there are better ways of achieving it.

The central objective of the CCRA is increased public protection and restoration of public confidence in the system. The problem of crime will always be with us, and the debate will continue as to how best to deal with convicted offenders, especially those convicted of violent offences. We must at all times remain attentive to public concerns about crime and criminal justice.

[*English*]

Mr. Derek Blackburn (Brant): Madam Speaker, I am pleased to be here this afternoon to make my contribution to this debate on Bill C–330, standing in the name of the hon. member for Hamilton West.

For a long time we have been dealing with a very serious and tragic problem in our society, and that is the increase in the number of violent crimes being committed day by day across this country. There is a very real fear that unless we adopt the appropriate measures, the criminal element within our society and our society itself will become more and more like our neighbours to the south.

At the outset of my brief remarks I want to remind the House that the Americans have gone the route that Bill C–330 to some extent wishes to go, the turn the lock and throw the key away approach to violent offenders.

If longer sentences or lifetime sentences would bring greater security to our neighbourhoods, I would support it. Also the United States would probably be the safest country in the world in which to live. Unfortunately, that is not what happens. There is no correlation between longer sentences and diminution in the number of violent crimes in society. Surely we have to look elsewhere for some of the solutions. I am suggesting that there are no solutions to this problem that will totally

eradicate violent crime. I know the hon. member appreciates that as well.

For example, this bill would completely eliminate parole for offenders convicted of first degree murder.

• (1730)

I know that many of these murders, in fact most of them, are heinous crimes, they are horrible crimes. The member knows that some of the perpetrators will never be let out. I am quite certain that Clifford Olson is there for the rest of his life. There are others like him in there.

Take for example the 12 who are out right now as a result of the 15-year judicial review. Not one of them has reoffended. We have people in this country today who were convicted of capital murder under the old system who have never reoffended. Indeed, if you take all the convicted murderers as a group in our prison population, when they are released they have the lowest recidivism rate of any group in our prison system.

I know that it almost sounds cruel to use these statistics and figures if we are dealing with an individual personal tragedy. Words, arguments, debate or laws cannot bring back loved ones. They cannot erase the horrible memory of that terrible, heinous crime and I am not suggesting for a moment that anything we do in this Chamber can accomplish that. I am asking and pleading for a reasonable objective approach when it comes to altering the laws with respect to violent criminals. I am convinced that violent criminals should be kept in jail much longer than they presently are. The one-third can now be increased to one-half of sentence.

I told the Solicitor General in the justice and solicitor general's committee that if he wanted to raise that to 75 per cent of the sentence, I would support him, provided that the government was prepared to improve the programs for these offenders when they were behind bars and provided the programs were made adequate for all of them.

You know what happens now. They get thrown into prison, they sit there and vegetate for about one-half, two-thirds or three-quarters of their sentence and then in the year before they are to be released they are zipped through a program and out the door they go, not fully prepared for the street.

One of the basic tenets in our criminal justice system and in our prison system today is that history has proven it is safer for society to gradually release violent offenders and even some sexual offenders. They should gradually be released into society rather than keeping them there for five, eight or ten years and then throwing them out cold turkey on to the street without any preparation, without any training or rehabilitation programs and without any supervision.

When the warrant expires, they have done their time and they are out the door. Some of them are cunning enough to know that they do not want early parole. They would rather wait until termination of sentence so that they could go out without any supervision. That is the time to make sure you gate them and bring them back in. That is where I would like to see this bill become operative.

I am supporting this bill at second reading because I want it to go to a committee. I want it fully discussed because there are a lot of things wrong with our criminal justice system today and there are a lot of things wrong with our present parole system which Bill C-36 incidentally, does not address. I sat through all those hearings and as far as I am concerned, it was largely a sham.

Let us take a look at some of the statistics on temporary escorted and unescorted leaves. The successful completion rate in this country of unescorted temporary absences is 99.28 per cent. This is not an exact science. We know that if we are going to have a system where they are gradually released into society, unfortunately and tragically, someone is going to reoffend.

It is not an exact science. We do not have a 100 per cent guarantee, but when the unescorted temporary absence success rate is 99.28 per cent that is pretty good. In fact, it is one of the best in the world.

Escorted temporary absences are 99.97 per cent successful. It takes only one to rape, murder, strangle and kill an innocent girl, a loved one, a mother or a father. It sickens the whole community, but I do not know how we square that with keeping them all behind bars for the entire sentence so they come on to the street totally unprepared. I suggest to you it could be worse. I

am not saying that it would be. I am saying it could be worse than these statistics would otherwise suggest.

There should be "no ETA for humanitarian or medical reasons unless approved by Governor in Council". Between 1975 and 1986, the National Parole Board released 52,484 inmates. I really do not know how a cabinet could handle that kind of workload. They would end up taking the advice of the National Parole Board anyway. As a practical measure I do not think it would work. It would be rubber stamped through the cabinet and they would be on parole anyway.

While I use that figure of 52,484 inmates who were paroled in those 11 or 12 years, only 63 of them where serving a sentence for capital murder, which would be similar to murder one today. Of those 63 who were serving a sentence for capital murder that were sentenced before 1976, only two were sent back because they had committed an offence against a person.

If we try to look at this as dispassionately as we can, we come to several conclusions. First, the system is not perfect. Second, the parole system is extremely effective and very successful when compared to other jurisdictions, for example in the United States or in Europe. It is not perfect but it is extremely good. Third, how do we get around the issue of gradual release into society if we are going to throw the key away and keep people in jail for the rest of their lives, particularly in the case of those convicted of first degree murder.

Sometimes even the worst human wretch in society is capable of reformation and rehabilitation. We have living examples of them today in our society, where they have been rehabilitated and have come back to live useful lives.

Could you imagine what prisons would be like if we had lifers in there with no hope of release ever? Could you imagine what life would be like for prison guards, for other inmates and for other people working in the prison environment? It would be an intolerable situation.

I look forward to further discussions on Bill C-330. I thank the member for Hamilton West for presenting this bill. I hope it will go to a committee so that we can give it a thorough airing.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I welcome the opportunity today to comment briefly on Bill C-330.

First of all, I would like to congratulate the hon. member for Hamilton West who introduced this private member's bill in the House. As you know, I seconded the motion for second reading, which does not mean I agree with all the provisions the bill contains. In fact, if that were the case, we could rid of the process we have here in Parliament—second reading, study in committee and third reading—and just fine tune the changes made in various bills during consideration in committee.

My point is that although a member may disagree with one or two sections of a bill, this is not sufficient reason to reject the entire text, at least not at the second reading stage.

At third reading, if members of this House are still convinced the bill was not satisfactorily improved in committee, the process will take its course.

[*English*]

That is not what is before us today. This is discussion in principle. This is second reading. The discussion in principle is on the topic whether or not violent crime victims and their families should be allowed a greater say. That is the fundamental principle behind it.

Yes, some provisions of the bill are perhaps harsh. I will get to those later. With this bill there would be an automatic provision for victims to provide an impact statement for their families. That is something we badly need.

• (1740)

[*Translation*]

The hon. member for Charlesbourg told us earlier that it was now possible in some cases for victims to provide this kind of impact statement. That may be true, but it is not automatic. It is optional, as a result of recent amendments to Bill C-36. With Bill C-330, if I am not

mistaken, this privilege would become a right. I think that symbolically this is very important.

[*English*]

The member for Brant spoke of the lock the door and throw away the key approach. I know he did not suggest that was exactly the purpose of the bill, but that concern does exist. Nowhere in this bill does it say criminals are not to be rehabilitated while they are incarcerated.

There is nothing in the bill which precludes that from happening, nor is there anything that precludes the rehabilitation of criminals right now, even though it is not done sufficiently in my view. To that extent, I share the view of the member for Brant that criminals are not adequately rehabilitated at the present time.

We do not have a bad record as a nation in that regard, but that does not mean to say it cannot be improved. We should do more.

On the other hand, the rights of the victim and the rights of the convicted criminal are on a pendulum and I believe at the present time that pendulum has swung quite a bit too far in the direction of those who have committed the crimes. The victims are neglected, or at least not being treated as they should.

[*Translation*]

That is why I welcome the opportunity to support this bill. I hope that later on all members will vote for the bill at second reading, not so that it can be rushed through the House and get Royal Assent and come into effect tomorrow morning—members opposite know better than that—but so that it can be referred to a parliamentary committee that will give the proposed legislation thorough consideration, amend the bill and improve it as all bills should be, especially government bills, which often need improving. It is certainly not unusual for a bill to require some changes at the committee stage.

Personally I think the section that says someone who has committed murder should never be allowed to leave prison is too harsh. However, I believe the present legislation is not strict enough. Of course there will be adjustments in committee, as the hon. member for Brant mentioned. By referring the bill to a parliamentary committee, we will have a chance to talk to a number of people who advise us and make recommendations.

[*English*]

In terms of whether or not cabinet approval should be sought for releases, I find it unusual that some would say cabinet approval would be a form of rubber stamp. Perhaps that is so, to a degree, but the accountability is still there.

I remind the House that right now, for instance, thousands upon thousands of people in this country are landed immigrants through the same process of Order in Council approvals. You see stacks of them in the *Canada Gazette* all the time. Why is that not just left to administration? Because there is a form of accountability there. When the system goes wrong we can ultimately, as the custodians of the rights of the people of this country, ask questions in this House. That is one of the reasons why that is there. The fact that cabinet ministers' staff advise them to make recommendations does not particularly bother me. I do not expect the minister to physically enter the penitentiary and start interviewing all the candidates before they can go to their mother-in-law's funeral or something. Obviously that is not going to happen.

I do think the level of accountability has to be increased, notwithstanding the fact ministers will likely have staff to assist them. That staff will probably end up being either the Parole Board or a similar instrument, but the accountability will be there and nowhere will people be able to say: "It is not my fault, the Parole Board acts independently".

[*Translation*]

I also wish to see prisoners gradually released into society and I think that the member for Hamilton West feels the same. In other words, those who are released must be better prepared when they come out of prison.

We also want the victims' rights and those of their families to be respected. I feel we have neglected the victims' rights over the last few years and even the last decades, and in saying this, I want in no way to put the blame on one minister or one person in particular. I just feel it is time we did something for the victims.

I ask all my colleagues here today to allow this bill to proceed, at least up to the committee stage, at which time we shall give our verdict.

[*English*]

Mr. Pat Sobeski (Cambridge): Mr. Speaker, it is a privilege for me to speak this evening on Bill C-330, a private member's bill, an act to amend the Criminal Code and the Parole Act that was moved by the member for Hamilton West.

Numerous petitions were distributed around the country and here a Conservative member of Parliament is allowing a petition to go into his office that was forwarded to a Liberal member of Parliament. I can assure you that has only happened once, that I can think of, in my office.

Though we often disagree on many issues, when the member for Hamilton West first mentioned this issue to me there was an initial amount of support. The member has explained the benefits he sees in the legislation and there are many principles I can support in this bill.

I think this bill represents the many discussions that take place in this country in barber shops, coffee shops and variety stores when people are buying their newspapers. This is one of the issues they do talk about.

This bill does have some weaknesses. Regarding crimes of violence, for example, I think there is a need for a more comprehensive list of violent offences. I also think there is a need to more stringently define those measures rather than those that apply to non-violent offenders. We have to make that distinction.

I do not think the member for Hamilton West would object to having this discussion take place in a parliamentary committee. When it comes to victims' statements, I congratulate the member for clearly putting in the bill that the definition of a victim includes: "any relative of that person".

We should go further with the section relating to impact statements. It is important to expand the categories of offences for which victims' statements can be used. It is also important to expand when victim impact statements can be used for detention reviews. I think we should go even further and ensure that victims are given the right to attend the parole hearings. Those are the ways I think this particular provision can be strengthened. The member for Hamilton West may disagree with some of these views, but I think he would welcome an open discussion in a committee where not only other MPs but witnesses can come forward, discuss their concerns and get victims' statements from those who are victims of violence offences.

• (1750)

The member for Glengarry—Prescott—Russell talked about the releasing authority and the fact that it may require cabinet approval. I think that might be too restrictive, but again it is something that can and should be discussed in committee where we can discuss the views of the Parole Board or whoever makes the decisions to ensure that there is public safety. In many ways I think I would like to keep the politics out of those subjective decisions.

In the city of Cambridge, like the member for Hamilton West has indicated, there are many instances. I have a series of newspaper clippings that relate to a couple in Cambridge that are well respected in the community, Doug and Margaret Pollington. This is a Cambridge couple that have been battling their own life sentence since the day their son-in-law killed their 29-year-old daughter and two children aged five and six in 1976.

Since August 1, they have been playing a waiting game because the son-in-law becomes eligible to apply for a judicial review after serving only 15 years of his life sentence. The concern that the Pollingtons have is that there is no time limit for when the review must be applied for. Although the victims cannot currently make a statement or express their feelings about the review board, they must wait around for the prisoner to apply for a review.

That statement was recorded in the press before the passage of Bill C-36. Bill C-36 does allow victim impact statements. That legislation is too new to really make a valid comment on its effectiveness. The Pollingtons did recognize that indeed Bill C-36 could help them. After the passage of Bill C-36 there is a belief that maybe Bill C-36 could have gone further.

In this particular case Mr. Pollington admits that his main reason for getting involved with a petition on this legislation is because he wants to make sure that his own family is protected from the man who has already killed three members of his family. As he presented the petition around the city, he did not hide the fact that the clause stating that a life sentence for a person convicted of first degree murder should mean life and that for

people convicted of first degree murder no day passes, escorted or unescorted, should be issued. He did not hide that particular fact.

Mr. Pollington and his wife appeared before Cambridge city council and received support for his petition. He went to Kitchener city council and also received the support of the council. Subsequently, he went to the regional council of Waterloo and also received the support of that council.

There were a few members of the regional council and city council who voted against it. Their reasons were the same reasons I would like to see it go to committee, so that there would be frank discussion. The people of Correctional Services for example could come forward would then explain and have an educated debate. Both sides would then understand where everyone is coming from. Councillors that did vote against it said they were hoping that when it comes forward there can be debate and we can hear from all sides on the issue.

Doug Pollington has also gone out to the high schools, not to solicit signatures for his petition but to discuss the Parole Act and specifically the victims' role, victims' statements and their importance. He has gone out to the schools. Hopefully the information that the kids are getting in their law classes will make them consider changing the law in the future. Again, he is not trying to recruit students into joining him or becoming involved with this petition, but he thinks it is important that they have an understanding of the effects the system does has on victims of crime.

He started out hoping to gather some 8,000 or optimistically 10,000 signatures on his petition. In the Cambridge area, 18,000 have signed his petition supporting Bill C-330.

What is happening here is that Mr. Pollington's petition is speaking for the people because he realizes how much the Cambridge community, like every other community, is upset and has concerns about the Canadian justice system.

I respect the role of the Standing Committee on House Management. I am tempted to stand here and say that I respect its judgment. However, I am suggesting that I disagree with its decision because it limits debate today.

I believe this is an issue that deserves discussion in committee because the general public want to have an open discussion on this. I think the bill can be improved, but more important, the principles must be discussed. There is a need to openly discuss why the rules should be tightened up for allowing temporary absence from prison.

I hope the next time I have a chance to speak on this bill it will be in a parliamentary committee.

Mr. Keyes: Mr. Speaker, given the reason we are elected is to serve our constituents, to provide for them the opportunity of a full and frank discussion and given the support I have from my colleagues in the Liberal Party, the New Democratic Party and my colleagues in the Conservative Party, I seek unanimous consent for the second reading motion on Bill C-330 to be put to a vote.

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

Some hon. members: Agreed.

An hon. member: No.

Mr. Keyes: Mr. Speaker, a point of order. I find it indeed unfortunate that the member for Charlesbourg would not give consent to the bill.

The Acting Speaker (Mr. Paproski): I regret that is not a point of order. It is a point of debate.

The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

FISHERIES

Mrs. Coline Campbell (South West Nova): Mr. Speaker, I appreciate the opportunity tonight to expand a little bit on the question I posed to the minister of fisheries on the permanent quota transfer which I am not sure has commenced yet, but I have certainly seen an application for permanent quota transfers sent to people in my riding. At the time the minister answered that he was not

aware this was going on and said that he would ask his department to look into it.

A lot of people in my constituency would say that this is what the policy of this government has led to and that there were no alternatives for the fishermen and the fish processing companies in the area than to go to a permanent quota transfer.

What it does in my estimation is that where we had temporary transfer of quota between the fishermen and companies in the last two years we will now, in other words, have a permanent transfer. I have not been able to find out who actually controls the fish for 1991 or 1992. That is just one area of concern I have. Do the companies control it now or do the fishermen control it?

It used to be that if a fishermen could go out to fish, the companies locally would be able to process that fish, sell it and the local economy would be very good. As you transfer the fish from the fishermen over to the companies, you are now going to have some companies that cannot pay so they will probably not be able to purchase that quota. Other companies will be able to pay or banks will be involved in purchasing that quota.

• (1800)

Basically, I can guarantee that most of the fishermen will not be able to individually purchase a share of that quota. It will have to be a company. A bank will recognize that companies have assets and this will become one of its assets.

Where is the fish going to be processed and where is the company going to end up if it gets into difficulty? Will it end up a company in Newfoundland catching fish in the southwestern part of Nova Scotia, or a company coming and catching the fish in a part of southwestern Nova Scotia and bringing it back to Quebec to be processed if our companies get into trouble in the future. It has happened repeatedly on the east coast that companies have got into trouble. Look at National Sea, Nickerson's, and the companies in Newfoundland.

I also want to say there is another aspect to this. I do not think the government or the department of fisheries will ever be able to manage or control stocks. As most of the people in this House know, since 1988 one of the first things I asked was to have an in depth evaluation of the stocks in Scotia–Fundy, particularly in the Bay of Fundy, 4VWX, evaluated so we knew the condition of the stocks. They have not done that, they continue not to do it, and yet now, with these individual transferable quotas to fishermen and to companies, we have a fishery that goes on year round. As long as you can prove you have access to some quota you are entitled to be out there.

The fishery is going to be fished out by somebody. I know some fishermen who cannot afford the penalties and who will only fish four months. They see a boat out there that has less individual quota than they do and is fishing year round. Where is the management? Where is the enforcement? There has to be a very real concern.

I hope tonight I am going to have an answer from the parliamentary secretary as to why the minister is going that way and why he is allowing the fishery to leave. I see it happening in the future. I see it happening even now, companies not processing groundfish. It will just be processed in certain areas and maybe even leave our area.

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I was in the House the other day when the hon. member raised her question with regard to permanent transfers of individual transferable quotas and maybe I can clear up some of the confusion, or try to.

The operating guidelines developed for the Scotia–Fundy ITQ program permits the transfer of ITQ between fishermen and companies. These guidelines were developed in consultation with the industry and implemented by the department at the industry's request.

The possibility for the Scotia–Fundy ITQs to be caught by fishermen from other provinces was raised on the 17th. I wish to clarify that the ITQs can only be transferred between the 450 participants in the program, all of which are fishermen from the Scotia–Fundy region. You must remember this region includes the southern part of New Brunswick and that ITQs could be transferred from Nova Scotia fishermen to New Brunswick fishermen.

The reverse is true as well. It is also believed that these new guidelines are going to be quite favourable to the southwest Nova Scotia fishermen because throughout Atlantic Canada they are recognized on an average as being the most prosperous and truly the most entrepreneurial.

It would be expected that the fishermen from the west Nova Scotia area could get more fish and more jobs and over-all the ITQ program does not discriminate. Indeed, it was implemented by the industry in consultation with the people involved.

• (1805)

WESTRAY MINE

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Mr. Speaker, I am pleased to rise this evening to refresh the House's memory on the question, and what I believe were the inadequate answers given to my questions regarding the Westray mining disaster.

The questions were raised last May 22, and the disaster of course took place on May 9 of this year.

I just preface my remarks by quoting the last verse of a miner's lament, a rather well-known one called *Dark as a Dungeon.*

> I think when I die and the ages do roll My body will harden and turn into coal. As I look through the door of my heavenly home I will pity the miner adigging my bone.

A lot of miners in Nova Scotia, around Pictou County and throughout the country are simply not satisfied and their bones will not rest until they get some clear answers from this government.

Why did the federal government, which does not normally make major investments in mining operations, take a risk not only with public money but with the lives of Nova Scotia miners in this operation? The government suggested it had every reason to believe and understand it would be a very high risk operation. Why did it not take extra measures to ensure that the Government of Nova Scotia and the agencies directly responsible for mine safety were doing more than the normal routine run of the mill job to ensure the safety of the people who would be working in that operation. This mine likely would not have opened without the major intervention of the Prime Minister and ministers of the Crown, and would not have happened without the federal money that was later expended.

In my question on May 22 I pointed out that according to the engineering consultants for the Bank of Nova Scotia, the construction of the Westray coal mine was one of the most rapid they had ever seen. It is extremely fast to achieve an underground mine in 10 months; normally you are talking years instead of months.

That information was available to the government. Other information as explained by the Minister of Energy, Mines and Resources was available to the government. In spite of that, the construction of the mine went ahead.

Since then we have had the Nova Scotia inquiries cancelled; we have had charges laid. It is possible still for the federal government to answer the legitimate needs of these miners and their families and launch their own federal inquiry quite in keeping with the ruling given by the Chief Justice of the Nova Scotia Supreme Court in dealing with why this operation was allowed to go ahead with massive infusions of federal money, in spite of the warnings.

That is what those mining families want to know. That is what this House has a right to know. Whether it is a public inquiry or a committee of this House, those families deserve answers and we intend to keep pursuing this government until those answers are forthcoming.

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, the Westray mine disaster was a sad day, not just for the people in that particular area of Nova Scotia but for all Canadians. The hon. member knows the federal government does not have jurisdiction in the area of occupational health and safety. This is truly the responsibility of the provincial government.

Notwithstanding this fact, the Government of Canada took a variety of measures consistent with our role as financial guarantors to ensure that the project was technically viable.

The initial environmental assessment, the Acres report, pointed out the key health and safety concerns associated with coal mines and the methods that the company was putting into place to overcome these concerns. All concerns, including those pointed out by the Associated Mining Consultants Inc., were deemed to be correctable with known technology. The CANMET review spoke briefly of mine ventilation and spontaneous combustion risk and concluded that in spite of these

technical uncertainties, the proposal had no major technical barriers.

• (1810)

Westray was required to comply with all appropriate coal mining regulations in Nova Scotia, including those dealing with mine ventilation and spontaneous combustion matters and regular provincial mine inspections were carried out.

We put in place steps to ensure the company was in full compliance with the provincial regulatory standards on health and safety. This was monitored on a monthly basis by an independent mining consultant. All of these facts were taken into consideration before the federal government made the decision to fund the project.

[*Translation*]

MONTREAL'S ECONOMY

Mr. Alfonso Gagliano (Saint–Léonard): Mr. Speaker, on several occasions since May 8, 1992, I have raised in this House the issue of the economy of Montreal and its unacceptably high level of unemployment.

I asked the government to explain why it continually refuses to participate in an infrastructure repair program to stimulate job creation in the greater Montreal area.

The idea of this program was put forward by the Liberal leader and supported by the mayor of Montreal and by the Quebec government. The only thing missing is the federal government's participation.

We Liberals believe that a job creation program of this magnitude is necessary for Montreal. When I asked my question on May 8, the unemployment rate stood at 12.9 per cent. Since then there has been no improvement. In fact, the situation has worsened.

Let us just look at the past year. According to Statistics Canada, there were 186,000 officially unemployed people in greater Montreal. That figure does not take into account those who have simply given up looking for a job because they are completely demoralized. Today there are over 204,000 unemployed people in the region. This, in my opinion, is far from an improvement.

According to a report prepared by the economic studies service of the Mouvement Desjardins, the Montreal region has lost no less than 60,000 jobs since the fall of 1990. During that period, 17,000 workers lost their jobs in manufacturing, 10,000 in retailing, 9,000 in the financial sector, and the list goes on and on.

The President of the Treasury Board would have us believe that his government does a lot more for the Montreal region. If that is the case, why is the region economy deteriorating so much? The average rate of unemployment now stands at 16 per cent, and in the east end of the city it is as high as 25 per cent.

The minister refers to the aeronautical and pharmaceutical industries. I recognize that these are important and make a great contribution to the economy of Canada and of Montreal, but they do nothing for those workers who have lost their jobs in construction or manufacturing.

According to the Commission de la construction du Québec, the unemployment rate in that industry is almost 50 per cent for the province, and more than half of the workers affected are in the Montreal area.

We Liberals believe that a program to modernize our infrastructure would greatly help get the construction industry and the economy in general back on track. So even if the aeronautical industry benefits some sectors of the economy, it would be irresponsible to think that it is the solution to all our unemployment problems. As well, it would be irresponsible to neglect those individuals who have lost their jobs in manufacturing or construction. An infrastructure program would help those people directly.

On May 8 and again today I asked the government to explain why it continues to refuse to immediately implement this infrastructure program that would get the economy going. We are well aware that if you get the construction industry going, the rest of the economy will follow. We could put people to work and these people will spend and pay taxes. Thus, the government will also get some return on these important investments for the economy and the social fabric of our country.

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Mr. Speaker, I would like to remind the hon. member that, in spite of the particularly gloomy picture he has just drawn of that area, Montreal can nevertheless rely today on a very modern manufacturing sector. This sector has progressed markedly, especially over the past decade.

Take for instance the aircraft industry, where 40,000 jobs were created in the Montreal area during that period. There is also the electrical and electronic products sector and that of machinery, chemical products, plastics and rubber, as well as the petroleum and printing industries. All these sectors have been extremely productive in the Montreal area.

All these sectors are growing rapidly and provide secure, well-paid, new jobs in the metropolitan area as well as new technologies.

However, it is obvious that what we need most in Montreal right now is to broaden this modern and promising manufacturing base and to broaden it at least enough to offset the job losses up until now as well as those anticipated in waning traditional industries.

Therefore, our role in government is to support this manufacturing base as part of a concerted effort, with a consistent development strategy relying on the Montreal's strengths.

As we know, two programs have been implemented in Montreal recently, the IRPEEM and the IRPSWM, that the hon. member is very familiar with. These have helped support major investments as well as creating thousands of jobs in the area.

Mr. Speaker, I want to reassure the hon. member for Saint-Léonard that government has indeed taken the action he is requesting concerning the Montreal area. Also, government is planning further action, in consultation with the business community, the municipalities and the provincial governments, to ensure that Montreal remains a major player not only in the economic development of Quebec but also in that of the whole country. I am convinced that his party will support the Montreal area development initiatives we will be putting forward.

The Acting Speaker (Mr. Paproski): In accordance with Standing Order 38(5), the motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow, at 10 a.m., pursuant to Standing 24(1).

The House adjourned at 6.17 p.m.

HOUSE OF COMMONS

Friday, November 20, 1992

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*Translation*]

SUPPLY

ALLOTTED DAY, S.O. 81—REQUEST FOR GENERAL ELECTION

Mr. Don Boudria (Glengarry—Prescott—Russell) moved:

That, in the opinion of this House, the government is incapable of providing leadership and direction in the economic and social affairs of the nation and has lost the confidence of this House and of the Canadian people and that, therefore, an election should be called forthwith, in accordance with the Canadian custom, practice and tradition of holding a general election at least every four years.

He said: Madam Speaker, I welcome the opportunity today to address this very important subject. I am sure all Canadians will listen carefully to today's debate and will reach the same conclusion I did: this government should call an election now. That would be a great idea.

I can hear the Tories opposite heckling, although the debate has barely started. Perhaps members opposite feel uncomfortable about this motion and don't like it. Are there any Conservatives opposed to this motion? Ah, the heckling has stopped, so we can assume they support it.

I move this motion today because I feel we need an election. The government has been in power four years, and according to Canadian tradition, four years is a full term. So it is now time to call an election.

Tomorrow will be the anniversary, not a happy occasion, of the election held on November 21, 1988. Bearing that in mind, it would be appropriate to call an election now, and there are two reasons for this: first because, as I said earlier, this government's time has run out and, second, because the government no longer enjoys the confidence of Canadians.

[*English*]

I have here a newspaper article which I would like to read. It is dated yesterday. This is not something I said. This comes from a totally objective source, *The Toronto Star*. This source quotes the Gallup organization. It states:

The Gallup organization says that the Conservative Party today enjoys the support of 22 per cent of Canadians.

The Liberal Party enjoys the support of 47 per cent. I say to my colleagues: "What do you think of that?"

As bad as 22 per cent might seem, they had an even worse level of support some time ago. Now the end-dippers, or the New Democrats as they are sometimes called, enjoy the support of a large number of Canadians, namely 14 per cent.

• (1010)

I say to the cousins of Bob Rae, 14 per cent is certainly all they deserve. The deform party—the Reform Party has the support of 11 per cent of Canadians. That is about 12 per cent too many. I say to the large contingent of the deform party—the Reform Party—present in the House right now that is more support than it deserves.

I notice some members across do not think that there should be an election called right now. I can detect that from their remarks.

I want to quote *Hansard* of December 9, 1983. Let me read the following quote and see if we can guess who said it: "The government should honour that fundamental British tradition in this country which calls for an election not in five years but within four years so that the people can judge the action of the government".

An hon. member: That sounds like Brian Mulroney.

Mr. Boudria: Was that not well said? As far as I am concerned, those are immortal words. They are immortal words.

December 9, 1983, let us listen to this quote now: "I tell you it does happen that a government sits too long. It does become exhausted and bankrupt of ideas". Were those not fine words?

Some hon. members: Hear, hear.

Mr. Boudria: My colleagues all think they were fine words.

Let us hear a motion that was introduced in the House on December 9, 1983, by the then member for Central Nova. The then member for Central Nova in December 1983 just happens to represent the riding of Charlevoix today, and of course he is the Prime Minister, at least temporarily.

Here is what the then member for Central Nova said in December 1983. Listen to this, Madam Speaker, and I say to my colleagues: Pay attention because we will ask questions later. "This House regrets to inform Your Excellency that the government is incapable of providing leadership and direction in the social and economic affairs of the nation and has lost the confidence of this House and of all Canadian people, and therefore requires that an election be called"—listen to this now—"in accordance with the Canadian custom, practice and tradition of having a general election at least every four years".

Was that not well said? It was a brilliant remark from the then member for Central Nova. I say that if the then member for Central Nova, today the member for Charlevoix, was right in 1983, he is still right today. I am sure he will vote for my motion.

In a television interview right about the same time, the then member for Central Nova, today the member for Manicouagan—I am sorry for Charlevoix. I apologize to the member for Manicouagan. I in no way wanted to put to him to the level of the Prime Minister right now. It probably constitutes a question of privilege for him to have been so insulted, but I apologize to the member.

In a television interview in 1983 the then member for Central Nova said: "This is a country where historically a parliamentary majority has governed for four years or less, not more". Well said, eh? There is more. I can assure that there is more. Let me continue.

On October 1, 1988, there was an election launch statement at Rideau Hall. We all remember that day. The Prime Minister called the election and then turned it into a free trade type of referendum which he was losing in the beginning and then got all the big corporate sector to bail him out. He finally won on that, although all Canadians were disappointed and we are all suffering from the lost jobs since then.

In any case, here is what he said on October 1, 1988: "It has been a Canadian tradition to call an election after a government has completed four years of a mandate". These are not words that the Prime Minister attributed to another party. He attributed that to his own government. His own government's mandate had expired after four years. The Prime Minister said so at Rideau Hall.

I am sure the Prime Minister told us the truth, as he always does, particularly when he speaks from Rideau Hall. There you go. Times change, and the Prime Minister's opinion changes from time to time. I wanted to put this as nicely as possible. Professor Jean-Luc Pepin described this uncanny knack of the Prime Ministers in the following way some years ago. He said that the Prime Minister suffers from an acute psychological need to embellish the truth. That was put very kindly. Anyway, the Prime Minister later had a modification of his opinion. Here is what he said:

[*Translation*]

"We are one year away from an election, and we will have time to discuss it". That was October 24, 1992, in an interview with the *Journal de Montréal*. Amazing how the Prime Minister's position has changed. On October 24, 1992 he decided that his government's term would be five years instead of four, although in 1988 he said that the government's term would end after four years.

An hon. member: And he was right.

Mr. Boudria: Of course he was right. We supported that at the time. In 1983 the Prime Minister said the previous government's term was up after four years. If it were true in 1983 and 1988, considering that today most Canadians would like to get rid of the present government, it is still true in 1992. Why did the Prime Minister change his mind? I have no idea. I have some more quotes.

[*English*]

These quotes are just excellent. I am sure they will be appreciated immensely.

A former member for Mississauga North, Alex Jupp, said this on October 19, 1979. We all remember Alex Jupp, of course. I see all my colleagues nodding in the affirmative. He said: "The dates for the calling of a general election should be prescribed every four years. We should not give prime ministers the right to play games with the electorate, with political parties and the lives of those who offer themselves for public office".

Brilliant, is it not?

Here is what the then member for Simcoe South, Ron Stewart, said in 1982. We all remember him, particularly francophones like myself. I remember him fondly for his support of APEC. I remember Mr. Stewart very fondly.

An hon. member: Was he one of the dinosaurs?

Mr. Boudria: He was a prehistoric creature, but he was not a dinosaur. He said on May 4, 1983: "As long as there is an alternative time to an election, the Prime Minister is able to pick and choose the time most favourable to him. His own interests become paramount, not those of the nation. There is always the temptation for the Prime Minister to use his power to retain power or to promote party ends, even though such ends may not be in the public good".

Some hon. members: Oh, oh.

Mr. Boudria: Ron Stewart said that.

Now let us hear what the member from the other place, Lowell Murray, said. We all know Lowell. Here is what he said on February 24, 1984: "After four years, Canadians are entitled to have their say about the government. After four years, Canada is entitled to a general election. For all practical purposes, after four years the government's term has come to an end".

I cannot wait till tomorrow because it will be four years. By the time we vote on this motion on Monday, the government's term would have expired two days prior, according to Lowell and according to the Prime Minister, according to his many pronouncements, save and except of course the one that he made recently. I know on that particular day he probably was not thinking straight.

Now let us hear what Professor Peter Hogg, professor of law at Osgoode Hall, said about all this in 1985. Listen to this eminent professor of law at Osgoode Hall. He said: "It is not the practice of the Canadian federal prime ministers to allow the House of Commons to continue until the expiration of the five-year term". It is very important. A professor of law says that the usual practice is for the Prime Minister to select what he regards as a propitious time for an election and to advise the Governor General to dissolve the House in time for that election.

• (1020)

Clearly the professor of law says it is not supposed to be five years. The Prime Minister said it is supposed to be four years. I say let us do it. Let us do it now. Canadians cannot wait.

[*Translation*]

I would now like to comment briefly on this government's record during the past nine years. Not a happy task, but it has to be done. I would like to quote a number of Conservatives. I know it is cruel to do this first thing in the morning, Madam Speaker, and I realize that you are objectivity itself, but I am afraid that just the same you will have to listen to all this. This is what was said.

In 1988 the Minister of Finance at the time said: "In three and a half years our economic achievements have been spectacular. Our policies and initiatives have created the successful economic climate we enjoy today". I wonder whether he could say the same today.

This is what the Prime Minister said on October 27, 1988, believe it or not: "My government has worked hard to promote our national interests, and we have bolstered our national sovereignty in various ways by putting our financial house in order". Imagine, we can hardly take that seriously.

Here is what the Prime Minister said in December 1983. Hon. members will recall that in December 1983 he called for an election because the previous government was already four years old or just about. In fact, the government had not been in power for four years at the time. The government was elected in February 1980, so its term would not have expired until two months later. However, according to the then hon. member for Cen-

tral Nova an election had to be called. I will read the quote.

[*English*]

Here is what the member for Central Nova said at the time: "The problem with the Government of Canada, as presently constituted, is that it has lost the confidence of the people. Confidence is very fragile and difficult to define. Once you have lost it you can never recapture it. Once you have betrayed your word or you have let people down you have an enormous problem ahead of you".

Let us call an election. Let us do it now. That is what the people want. That is what I want. That is what my constituents want. Let us do it.

Mr. Don Blenkarn (Mississauga South): Madam Speaker, I listened with interest to the member's comment about four years ago. I was wondering if he would take his mind back to the majority government led by the hon. Pierre Trudeau who was elected on July 8, 1974 and did not bother going to the country until May 22, 1979; pretty close to 4 years and 10 months later.

Then maybe he could also take his mind back to the government of the right hon. Pierre Trudeau, elected on February 18, 1980, who did not bother going to the country until September 4, 1984; a little over 4 years and 6 months.

He will appreciate the four-year period expires on November 21, 1992, but that is in the middle of the winter. Surely we must also take a look at the time of year. It would be absolutely too ridiculous to try to run a general election through the winter.

We ran one through the winter in 1980. It was a heck of a hard election to run. I won that election, but wandering through snow banks trying to put signs up in frozen ground and trying to knock on doors at that time of year was impossible.

All I have to say to the member is: surely some common sense must prevail on the other side. Surely they have some more reason to demand an election. Maybe the reason is as declared by Mr. Hurtig in *The Toronto Star* this morning, wherein he said that while the Liberal Party has 47 per cent in the Gallup poll, its support across the country is only one-sixteenth inch deep. It is soft, soft, soft.

Mr. Boudria: Madam Speaker, those were excellent questions.

I want to say to the member that it was his leader who, on at least three occasions, said that he would call an election every four years. He even said, about his own government, that its time expired four years and about two weeks after it started; actually it was four years and 26 days the last time. That is when the election was called. The Prime Minister himself said that his mandate had expired.

Mr. Milliken: So did Lowell, and he is an expert.

Mr. Boudria: So did Lowell, and he is an expert. Far be it for me to contradict Lowell.

The member across the way does not think we should have an election in winter because it is inconvenient. Let us ask Canadians which they prefer: having an election in winter or keeping the Tories until spring.

I know what they want. They would gladly put up with an election in winter if it means getting rid of those people across the way.

[*Translation*]

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, I first of all wanted to congratulate my colleague who made a presentation that is worth looking into very closely.

[*English*]

It was a well researched, comprehensive, insightful address. Whether we agree or do not agree with my colleague I think we have to acknowledge that he has proven beyond doubt that if the Prime Minister and his minister and advisers were to be true to themselves they would be calling an election.

But there may be another reason why an election should be called. This week has seen an unprecedented number of government fiascos: unemployment, which is at record highs and continues to climb; interest rates that continue to climb; the deficit and the debt which are out of control, if we look at the newspapers today; the airlines crisis which we have all experienced in the last several days; and the fisheries that are on virtual brink of collapse. Canadians have lost faith in this government. They have done so for some time now and they want an election.

While I acknowledge that my colleague has proven without doubt that if the Prime Minister and his key advisers were in fact true to the statements they have made in the past they would call an election, there is another equally important reason, perhaps deeper reason. I have given some examples of a government being unable to manage any more. I wonder if the member would care to react to that.

Mr. Boudria: Madam Speaker, as usual my colleague is quite right and very insightful.

He indicated quite accurately that the people want an election. That is quite true. They do not just want it because it is something neat to have. They want it because this government is unable to govern any more, if it ever was.

My colleague has given examples of this government's lack of ability. There is one that is even deeper than the ones he mentioned. To me it was the report on child poverty that we saw earlier last week that over a million children were living below the poverty level and the fact in this country we have more food banks than we have McDonald's restaurants as we are speaking today. All that reflects in the support the government has.

• (1030)

I enumerated the level of popularity of the government at the beginning of my remarks. The reason why the people no longer want this government is not because they are simply tired of it or they do not want to look at it any more. It is because it is unable to govern. That is why the present government has less than half the support the opposition has.

There is a reason for that. The reason, as I say, is not just because people are fed up looking at them. It is because people do not think that the Conservatives can govern, and they cannot. Furthermore, according to the Prime Minister, his term has expired anyway. Therefore, as they say, let us not wait for spring; do it now.

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Madam Speaker, I think the debate today should be extremely serious. It is one that concerns each and every one of us in this House.

The first 10 minutes of the hon. member's time were specifically related to remarking on various polls and the idea of polling and elections. Why do we not get down to the specifics?

There are problems. I am one who will acknowledge there are problems with regard to the economy and social conditions. I would hope that today maybe all of us would enter into a debate where we could share ideas, look at specific problems, and how we could reallocate funding in regard to helping those people who are really in need.

If the member is calling for funding cuts in certain departments so we can help those people in need or for a boost to the economy by helping people get educated or better trained, I am willing to listen to him; but I do not think we want to spend the day shooting arrows at one another. Why do we not work together to resolve the problems?

Mr. Boudria: Madam Speaker, the member might not like the fact that we are quoting the Prime Minister. Perhaps it is unfair to quote the Prime Minister using his words, or maybe she thinks it is unfair, but it is too late to repent. The mandate is up, not just according to me or according to our tradition, but more so according to the Prime Minister himself.

The mandate has expired. No death-bed repentance will do any good for the member across the way or her colleague, the minister over there, or any one else. Time is up. Call an election. That is what we need to do right now. That is what the people want.

It is clear this government no longer has the moral authority to govern, the authority according to the Prime Minister to govern, or the level of support necessary to govern. It has to call an election according to the rules it has set down for itself.

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Madam Speaker, I really looked forward to participating in this debate today. It is a very serious one and one to which I want to contribute.

The member for Glengarry—Prescott—Russell asserts that the government cannot provide leadership and direction in the economic and social affairs of the nation

and that there has been a loss of confidence in the House and with the Canadian people.

I find this extremely unfair and incorrect. It makes me realize more than ever that many of us in this House, indeed the hon. member and some of his colleagues on the opposite side, have lost touch with reality and what makes this country tick.

What makes this country tick has a great deal to do with revenues in and moneys out. Therefore, let me just start with regard to moneys in and moneys out. If we turn to the 1982 budget presented by the Minister of Finance we find on page 98 the budgetary expenditures. They are listed there. With regard to major transfers to persons including old age security, unemployment insurance benefits and family allowances, there is $42.3 billion.

Let us look at other major transfers to other levels of government. The EPF goes to health care and post-secondary education in the provinces, the CAP provides 50 cents on the dollar for social services in the provinces, and equalization in transfer payments help those provinces that perhaps do not have the revenues or the ability to raise funds to provide similar or basic services across the country. The federal government transfers in the area of $24.1 billion. Add those up. It comes to $66.5 billion, which is two-thirds of the amount of money we as a government will be expending in the year 1992-93. Along with that, payments are made to Crown corporations and defence, international assistance and government operations. The total spending is $119.4 billion. The public debt charges are $40.2 billion. Therefore the total spending will be $159.6 billion.

We cannot get away from servicing the debt like my friends in the NDP would like to do. At the same time we have to take a look at the money that comes in. Revenues come in from personal and corporate income tax, UI, sales and excise taxes, the goods and services tax. Those revenues go to help service the debt and pay down the deficit along with other revenues.

The budget estimate was $132.1 billion. We are in a recession, as is the rest of the world, and money is not coming in. Therefore we have a deficit, a major problem. Why do we not get to the basics of how we can reallocate funding to help those people really in need and get the economy moving in this country?

Let us start with the United Nations. The United Nations placed Canada first in the world based on factors such as life expectancy, education levels and our purchasing power. It ranks us ahead of other nations known for economic strength, such as Japan and the United States. All of us have to recognize, especially in the year of our 125th birthday, that Canadians are really proud of our country.

I learned during the referendum debate that Canadians from coast to coast are proud to belong to this country and proud of our achievements. They all want a good future that includes ten provinces and two territories. They have confidence in this country and in this government to exercise and show the way to a brighter future. But there are no simple solutions and no magic formula. We have made very tough decisions to make sure the economy did stay strong and could provide the social services that are needed. They could be sustained but we have to improve them.

Look at what happened during the 1970s and the early 1980s. Money was borrowed to pay for programs. That was the the decision of Liberal government of the day, and rightly so. It felt it could borrow money to provide programs. It went from a surplus in 1969 which was in the area of about $300 million, to a deficit in of about $38 billion in 1984. The Liberal government was providing programs to the people of Canada on borrowed money.

When we came into power we had to turn things around. Today we do not borrow money to pay for programs. Our programs are all paid for by revenues that are taken in. In fact, we had a $29 billion turnaround. However, it is not enough mainly because servicing the debt is costing us more and more. However, we have made major decisions since 1984 to show leadership and to deal with the economy. It has not been easy.

The economic renewal agenda that was set out in 1984 has been followed consistently. We have never lost sight of the major goals of deficit reduction, helping those in need and making this country prosper.

The first thing we did was to get rid of the National Energy Program that really devastated us in the west, specifically Alberta but also Saskatchewan and British Columbia. The energy and transportation sectors were deregulated at the insistence of the people who lived in the west, who were paying unfairly. Spending restraints were put in, as was deficit reduction. The unemployment insurance program was reformed. Tax reform and free trade initiatives were brought forward. We also initiated

NAFTA, which is a trade agreement with the United States and Mexico.

• (1040)

All of these have been on our agenda for eight years. This is the kind of leadership that Canadians want. Canada cannot have strong social policies without a strong economy.

We understand that these go together. They are two sides of the same coin. The best social policy that we can have in this country is to give people the skills and the tools to go out and work and help themselves.

We have to have a population that is healthy, that is confident, that is productive and able to respond to changes, to new opportunities that are happening globally, not just here. Good social policy is not always about new programs, more programs, more money. It is about giving Canadians the tools, the knowledge to get on with the economy and in our society.

We defined our goals and we defined our policies early on in 1984–85. On the economic side we have created new opportunities. We have made regulatory changes. We have made trade arrangements. As I said, we reformed taxes and we have had some good sound fiscal management.

Let me just talk about the Canada–U.S. Free Trade Agreement, the FTA. Everybody on the other side debated against us and fought us.

An hon. member: We were right.

Mrs. Sparrow: You were wrong. You are absolutely wrong and the figures are there to prove it. We are a trading nation. I would say that 30 per cent of our revenues depend on our exports. We either export or we do not sustain the standard of living that Canadians want. We have to change with the global community in order to move on so we can not only build the better widgets, we can trade them more effectively, more efficiently and we can beat our competitors in the market. That means markets all around the world.

Our exports to the U.S. have increased by $15 billion since we brought in the FTA. That is up 9 per cent. It also translates into 200,000 jobs. The North American free trade agreement which is under debate today, known as NAFTA, is to expand upon that and it is to secure our gains and give us even greater opportunities, not just into the United States but into Central America, South America, Australia and New Zealand.

We are going to do tax reform. I recognize that. We did bring in tax reform for greater fairness for the entrepreneurs and business. If we do not have business operating, we do not generate the wealth to support the social services and programs that we want to provide to Canadians.

We brought in the GST, which replaced the old manufacturers' sales tax. It levels the playing field so the manufacturing industries and all industries can meet the competition of our imports.

We privatized 22 Crown corporations. We downsized the government, cutting 46 boards and agencies and we have taken 92,000 people off the government payroll and put them into private enterprise.

Labour market policies have moved to increase the participation so that we all start working together. If labour, provincial governments, federal government, municipal governments, academic or educational institutions, municipalities, do not start working together as partners, instead of fighting one another, we are never going to win.

We have made many changes on the social side. We have made changes to help women and improve the employment equity programs. We have made changes for the disabled and especially those people who have physical problems as well as mental problems.

Canadians know not to throw away more money. Spend money more effectively, more efficiently so the programs can be delivered. The programs have to be examined. Many have been there for 20 or 25 years. Our world has changed. I am not saying throw them out. I am saying let us debate today and look at them.

Let us look at our health care system. We have the best health care system in the world. We have listened to the United States election debates over the past few months. The U.S. is looking at our health care system. It can be improved upon, and perhaps it can be delivered more effectively and more efficiently but that is an ongoing debate.

Let us look at our infant mortality. It has declined from 27 deaths per 1,000 to 7.2 deaths today. We have the best record. Life expectancies have climbed not only for the men but for the women as well.

Canadian research is contributing to new cures. We are looking at AIDS. We are looking at cancer, muscular dystrophy, cystic fibrosis and the disabled. We live healthier lives. Canadians are now eating better, they are exercising and they are even taking precautions to avoid sexually transmitted diseases.

On the poverty front we have made progress. Let us take a look. The number of Canadians living below the poverty line has declined by 1 million since 1984. The incidence of poverty among the elderly in the last 20 years has fallen dramatically. More has to be done, and I acknowledge that. We all have to work together to achieve it.

Important steps have been taken to combat violence against women, abuse against children and the elderly. With the four-year, $136 million family violence initiative that we undertook a few years ago, we have awarded about 15 research centres. There is one in Montreal and one through Laval University. There are others through B.C. and Moncton, New Brunswick and western Ontario to look at family violence, home violence and abuse against children.

With regard to my colleague, the minister who looks after the status of women, we have a task force looking at what is going on and why more families are having problems.

How about looking at children at risk? The minister of health and welfare some months ago brought down Brighter Futures, which dedicates $500 million with regard to the prevention, the promotion, the protection of children, working in partnership with all other levels of governments and the various agencies.

We are also looking at our aboriginal colleagues who have many problems, whether we are talking about drugs or alcohol abuse or family violence. There will be funding set aside within this program to help them come to the root of their problems.

We have shown compassion, maybe not enough according to my colleagues across the aisle, but there are children at risk and all of us have to deal with it.

Let us look at the child tax benefit package that will be implemented on January 1, 1993. It combines the family allowances child credit and the refundable child tax credit. It is going to put $2.1 billion more into programs that will assist families. This is an initiative taken by our government.

Mr. Milliken: It did nothing for the poorest.

Mrs. Sparrow: I am very sorry, you are wrong. This provides extra funding for those at low income.

If you are talking about those on social services and welfare, the provinces set the levels for that. If the federal government is going to increase its tax benefits or its social aid, the provincial governments lower it.

• (1050)

That is not fair. What I am saying is that it is time the province of Ontario started working with the other provinces and with the federal government so we can combat these problems and work together.

I wish I had a lot longer because we have made many inroads with regard to this. We know we are suffering. We know we are suffering from a global recession that has caused problems all around the world.

Let us take a look at this. It is affecting all families, specifically here in Canada in all our communities. It is affecting the industries. This has brought home to us the real truth about globalization and the need to trade and how international competitiveness is really the root of how to resolve some of these problems. Our future prosperity can only be guaranteed by higher productivity. How are we going to get higher productivity in this country?

The Minister for International Trade, through his prosperity report which has been condemned by some of the colleagues sitting over there, went to the people all across Canada. He had over 186 meetings with various Canadians on how to improve our productivity. It has to be labour. It has to be governments and it has to be the people all working together.

Do not continue to fight. Why do we not work together? This is what we have to do to resolve the problem. People have to stress education. We have to stress job training and greater training in order that the labour force can move forward, accept the technology and the scientific advancements and move into the 21st century.

Why is there a 30 per cent drop-out rate of students in high schools? That is unacceptable. We put into place programs to keep youngsters in school. One in four in the labour force is illiterate; they cannot read the manuals or operate the machinery they are supposed to run. More has to be done. Our private enterprise is taking on more responsibility but those people out in the business world have to realize, such as Japan has done, that time has to be set aside for continuing education in order to train labour forces working with the educational institutions so that they can upgrade and teach people to go out in the world and be more competitive.

We have education, training, job retraining, trade agreements to make us more prosperous and more competitive. On the social side we are already spending 66 per cent, two-thirds of our expenditures budget. We would like to spend more but the money is not there. What we should be discussing today is how we get the economy back so we can support the social programs that we have.

Mr. Phillip Edmonston (Chambly): Madam Speaker, we know today is opposition day and the Liberal motion is to remind us that there is a tradition to have an election every four years.

I am not quite sure what an election would do right now in the sense of changing things. I know the Liberals are thirsting for power. I know the Liberals for a long time have seen themselves at 50 per cent across Canada in the polls. They want to get into the little patronage deals that they can because they have been out of power for some time. I am sure they are going to be very effective at it. I recall when Mr. Trudeau stepped down there was an orgy of patronage and I do not think that Canadian memories are that short. They remember that as well.

Rather than condemn this government for everything and say it has done everything wrong, I would like to put in perspective what it has done because it has not done everything wrong. It has done some things right. I would like to speak on that.

First I would like to mention that we have two problems. We have a constitutional problem that we tried to deal with recently and we have a problem in the economic sense. Both of these problems are fairly inter-related. Looking at the constitutional problem, the government has taken a good stab at it. The government has tried. It has made some mistakes, but when you take a look at what it has tried to do with administrative agreements with the provinces, that has been a good tradition, both with Quebec and other provinces.

Administrative agreements mean that a province can have special agreements under the Constitution with the federal government, providing a kind of flexible Constitution. The provinces are not all treated the same and some have different needs. For example, on the east coast you may have the need for the UIC to be cognizant of the fact that there is a seasonal work force which is far different in fishing than elsewhere.

In the west you will notice there is accommodation that should be made for allowing western provinces to have the RCMP as their policing force rather than the extra expense of their own policing force.

This is a good trend. The government and governments before should be complimented for having this kind of constitutional approach.

I would also like to make a point as official languages critic about the Official Languages Act. I have been very much concerned about the money we spend for the Official Languages Act in areas where the translation of documents or translation services may not be required and may not be even necessary.

I was very pleased to see the government in the committee that was formed by the Minister of National Defence, I believe, dealing with the armed forces and the translation services and the use of French there, saying essentially we should use common sense. In a case where we had the frigates that were built in eastern Canada for approximately several billion dollars, $100 million was spent just in translation of those details of what the ships contain and their engineering points.

Madam Deputy Speaker: I was wondering if the hon. member remembered that this is question and comments and he was not on debate, as the time is getting short.

Mr. Edmonston: I hope to conclude this comment in the next two minutes if I may. I believe it is 10 minutes for questions or comments.

Madam Deputy Speaker: The hon. member has been in the House for quite a few years and the period of question and comments is to be shared between different

members and should be about the intervention which has just been heard in the House.

Maybe we should allow the hon. member to make a comment and the hon. member can by all means rise on debate or on questions and comments later on in the day. Four minutes have gone already.

Mrs. Sparrow: Madam Speaker, I am not too sure of the question but if I could I would like to thank my colleague with regard to the tone of his intervention. What he has done is set the stage with regard to some things we have done right, some things we can do better and maybe some things we have done wrong. We all have to acknowledge that.

What I really like about his comments is that if we do not all start working in the same direction perhaps we will not resolve the issues.

There have been constitutional problems which have faced this country for a number of years but they have been highlighted maybe since 1982. There are great difficulties that we have tried to overcome with regard to the Meech Lake accord, which failed, and with regard to the Charlottetown accord.

Canadians did have the opportunity to vote on that last October 26. To resolve some of those issues, my colleague was talking about administration agreements with the provinces. I think one area that we really have to look at has to deal with the free trade in our country and this would have great progressive advantages to making us more prosperous.

Why should we have 500 trade barriers here costing us $6.5 billion every year, hurting us, when if we all started working together we could all succeed?

• (1100)

Madam Deputy Speaker: After Question Period and Routine Proceedings there will be three minutes of questions and comments, following the hon. member's intervention.

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*]

STUDENTS

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, all week we have been discussing the government's inability to manage the country, to govern not only the economy but programs for people.

Unfortunately in this debate students have often been forgotten. I need to remind people here assembled today that tuition fees have increased at unprecedented highs. GST on books is still a problem, and next week I will be reintroducing my bill to removed this tax. There is still a 3 per cent administrative fee on student loans, a tax on those who need money most. There will be six months extra interest for students to pay on their loans. There are taxes being paid on scholarships and bursaries.

There is a lamentable job situation. It was particularly bad last summer and it continues to be so. Students cannot earn money to continue their education.

All of this and much more increase student debt and student despair and prevent our young people from becoming employable in the future and contributing as fully as they could to Canada.

* * *

4–H CLUBS OF CANADA

Mr. Walter Van De Walle (St. Albert): Madam Speaker, recently the Government of Canada released *Inventing Our Future—An Action Plan for Canada's Prosperity,* a plan which emphasizes Canada's need for a strong learning culture.

Operating in our country for many years is an organization which has consistently promoted this same goal. I speak of the 4–H Clubs of Canada.

The 4–H Clubs work with rural young people who learn through club projects to focus on results to make learning continuous, to innovate with new technology and to be dedicated to personal development, community leadership and responsible citizenship.

Helping 4-H members acquire a positive attitude toward learning increases their knowledge and develops useful skills to equip our young people for the future.

There are 4-H Clubs across Canada, nine of which are located in my riding of St. Albert. The national 4-H organization is committed to assisting our young people to become confident and capable citizens of tomorrow.

I salute all 4-H Club members, volunteer club leaders and sponsors across this great country of Canada.

* * *

[*Translation*]

RAIL TRANSPORTATION IN ABITIBI

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, Quebec's economic development depends on developing its regions, in particular its outlying regions where its main natural resources such as wood and various industrial minerals are found.

The railway lines must be saved and integrated with the basic rail system in Quebec and Canada in the long term.

The Canadian government must maintain passenger transport to Abitibi—Témiscamingue. Crown corporations like Via Rail and CN should look more closely at regional development, by transferring the decision-making centre for our region from Montreal to Senneterre.

* * *

[*English*]

TRAINING AND ADJUSTMENT PROGRAMS

Mr. Maurice Foster (Algoma): Madam Speaker, last night the Prime Minister tried to make a grand announcement about government money for the training of unemployed workers. His announcement at a Tory fund raising dinner in Toronto only reminded us of how terrible the government's record for training has been in Algoma this past year.

Training dollars were cut by 75 per cent, from $2.5 million to only $600,000 this year, even though a thousand workers were laid off at Denison Mines last spring.

Recently 75 training positions were approved to start next year. Then the government cancelled these until the local community agreed to provide 25 per cent of the training costs.

The government shut down the Denison Labour Adjustment Centre in August and is closing the Community Adjustment Centre next month, even though some 3,400 people have been laid off during the last couple of years.

Shutting down these community adjustment centres is simply shameful. I call on the government to reinstate in 1993 the funding that was provided last year for training and adjustment programs.

Madam Deputy Speaker: I am sorry but the hon. member's time has expired.

* * *

HEALTHY EATING

Mr. Brian White (Dauphin—Swan River): Madam Speaker, I wish to commend the Minister of National Health and Welfare for releasing *Canada's Food Guide to Healthy Eating*. This food guide has a new name, a new look and a new approach to healthy eating.

The food guide is targeted at Canadians four years of age and older and is based on the nutrition recommendations in *Canada's Guidelines for Healthy Eating* released by Health and Welfare Canada in 1990.

The food guide was developed by conducting consumer research and by consulting with a broad range of stakeholders, including health professionals and their associations, universities, voluntary organizations, the private sector and governments.

For 50 years the food guide has been a popular and widely recognized resource on health eating for Canadians. We should all join Health and Welfare Canada and its partners in bringing the new healthy eating message to Canadians.

* * *

RAIL SYSTEM

Mr. Bill Blaikie (Winnipeg Transcona): Madam Speaker, at what point will the government wake up and intervene to save the Canadian rail system from extinction?

This week the CPR applied to abandon everything east of Sherbrooke, Quebec. CN is trying to sell five freight lines in Ontario and has struck a deal with Burlington Northern to have 50,000 rail cars go directly from Edmonton to Chicago, eliminating jobs in Winnipeg and other points along Canadian lines. Not so long ago we were protesting CP Rail by-passing Winnipeg with potash shipments. What is next? What is so efficient about the growing marginalization of parts of the Canadian system at the expense of cities like Winnipeg and the people who live and work in such cities?

If we add to this the ongoing Tory conspiracy against Churchill, and the way that Liberal and Tory deregulation has put so many airline jobs at risk in Winnipeg, one wonders just what has to happen before the government wakes up to the fact that there is nothing efficient about destroying the economic base of places like Winnipeg.

Efficiency is for the sake of people. People do not exist for the sake of efficiency.

* * *

BREAST CANCER

Mrs. Louise Feltham (Wild Rose): Madam Speaker, every year in Canada there are more than 5,000 deaths from breast cancer and approximately 15,000 new cases of breast cancer are diagnosed. Breast cancer is the most frequent cancer among women. It is a killer.

This week the Royal Bank of Canada contributed $500,000 to the corporate fund for breast cancer research. I want to applaud its generous donation and to congratulate the Royal Bank on taking the initiative in this matter. I would encourage other corporations to join with the Royal Bank and with all other individual Canadians who want to meet the challenge and conquer this disease.

* * *

[*Translation*]

THE ECONOMY

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Madam Speaker, last night the Prime Minister began his election campaign by making new promises on the economy. Just as in 1988, the Conservatives will promise the world but will do nothing to improve the everyday situation.

[*English*]

Canadians have heard this same old song before and they just do not believe the Prime Minister any more.

Four years ago he said that his government would be fiscally responsible, yet our deficit is projected to be $34 billion. He promised adjustment programs for workers displaced by free trade, yet nothing has been put in place and 1.5 million people are out of work.

[*Translation*]

Canadians have had quite enough of the Prime Minister's promises, and they will let him know that during the next election by electing a party that can keep its promises, the Liberal Party.

* * *

[*English*]

ILLEGAL DRUGS

Mr. Larry Schneider (Regina—Wascana): Madam Speaker, I would like to thank and congratulate the Royal Canadian Mounted Police and the Canadian Armed Forces for keeping 3,000 kilograms of cocaine off Canadian streets.

The day before yesterday, in a high altitude drama, two Canadian CF-18s intercepted a drug laden aircraft in Canadian air space. RCMP detachments in Nova Scotia and New Brunswick, joined by Canadian Forces officials, tracked the plane as it flew over New Brunswick.

The suspects fled the aircraft after it landed but were soon rounded up by a thorough search by police and soldiers. The suspects are currently guests of Her Majesty in Trois-Rivières, Quebec.

On behalf of a grateful nation I want to thank the Canadian Armed Forces and the Royal Canadian Mounted Police for sending a very loud and clear message to foreign drug dealers: "Stay out of Canada".

* * *

REFUGEES

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, Sam Ifijeka, a Canadian of African origin, this week resigned as a commissioner of the refugee division of the Immigration and Refugee Board, publicly accusing the management of being racist and of pressuring commissioners to reject more and more refugees. He is not the first former commissioner to make such accusations.

In fact during the past three years while the Canadian government has reduced the number of refugees selected overseas, the refugee division has also been steadily reducing the rate at which it accepts claimants in Canada as refugees.

Five months ago Mr. Ifijeka wrote a 20-page letter to the Prime Minister and the Clerk of the Privy Council detailing his accusations and documenting them. Obviously this government has ignored these concerns. This morning I have delivered a copy of that material to the minister's office.

• (1110)

I now call on the minister in co-operation with the Prime Minister to order immediately an independent and impartial investigation of Mr. Ifijeka's accusations.

* * *

INTERPROVINCIAL TRADE

Mr. Greg Thompson (Carleton—Charlotte): Madam Speaker, a large number of Canadian companies find it easier to conduct business with American companies as opposed to those in our own country.

While we have reduced barriers between ourselves and our major trading partners, interprovincial trade barriers still haunt us. This means consumers pay more in higher taxes and higher prices. Business has suffered as well for the same reasons.

The Minister for International Trade will be meeting with his provincial counterparts in a few weeks with the hope of successfully lowering these barriers. If the minister succeeds Canadians will benefit greatly as we will be able to increase business and pass on the savings to the consumer.

Let us hope that success will result from their efforts.

* * *

GUATEMALA

Mrs. Beryl Gaffney (Nepean): Madam Speaker, last week the Prime Minister disgraced Canada again by refusing to meet with Nobel Peace Prize winner, Rigoberta Menchu.

Several international leaders, including the Secretary General of the U.N. and the Pope, have shown her the respect she deserves by speaking with her personally about human rights in her native Guatemala.

Now we learn the government has denied a visa to Mr. Jorge Soto and two academics who are coming to Canada on behalf of an umbrella group currently negotiating a peace accord with the Guatemalan government.

They were to meet with the House of Commons subcommittee on human rights to brief us on the negotiations and to seek advice on the principal point at which the negotiations are stuck, human rights.

Ironically Mr. Soto visited Canada only two years ago at the request of the Canadian government. Why the duplicity? The minister of immigration's office says the decision to deny the men a visa was made at the embassy in Mexico. Officials of the embassy say the decision was made by the minister's office here.

Which is it? Why is this government obstructing efforts to bring peace to Guatemala?

* * *

PRICING POLICY

Mr. Don Blenkarn (Mississauga South): Madam Speaker, when goods are offered for sale in most provinces in Canada they are offered at one price and the consumer winds up paying a very much higher price. In Ontario if goods are offered for $10 they pay $11.50 at the cash register.

Merchants know exactly what taxes are, yet they continue to try to deceive buyers by false advertising of prices that do not include taxes or charges associated with the product.

I call upon the government to introduce legislation to force prices to include all applicable taxes at the point of sale. This misrepresentation and deceit should not be allowed to continue any longer.

* * *

LEONARD PELTIER

Mr. Jim Fulton (Skeena): Mr. Speaker, 55 members of Parliament intervened in the case of Leonard Peltier last week before the U.S. Court of Appeal in St. Paul, Minnesota. Once again the U.S. courts and the U.S. justice system have been asked to remedy the damage done to Canada and to Leonard Peltier.

It is clear now and has been clear for some time that the Poorbear affidavits used to extradite Leonard Peltier were known to be false at the time they were placed before Canadian courts by the Government of the United States.

United States Senior Circuit Judge Gerald W. Heaney wrote to me on May 19 of this year and confirmed that the U.S. Department of Justice was being disingenuous, to use his words, in its position with Canada's Minister of Justice on the Peltier case.

Surely the time has come for the Government of Canada to pick up the phone and call Washington. Our extradition treaty and our courts were abused in the case of Leonard Peltier and this must be remedied.

Any minister who allows this matter to go unchallenged is no better than those who created the fraud in the first place.

* * *

EXTERNAL AFFAIRS

Mr. Alex Kindy (Calgary Northeast): Madam Speaker, on November 17, 180 Bosnian refugees who were being sponsored by British NGOs were refused visas to enter Britain by Mr. John Major and his government. These men, women and children were homeless, living in buses, and had relatives in Britain.

The British parliamentary opposition had asked the government to show compassion, but Mr. John Major continued to refuse them entry. By this action the British government showed its true face as a hypocritical power in this war.

Austria, on the other hand, that has already accepted 60,000 Bosnians allowed them entry.

I urge the Government of Canada to indicate to Mr. Major and his government that this action is not conducive to a peaceful and humanitarian resolution of the war waged by Serbia against Bosnia-Hercegovina and Croatia.

* * *

EMPLOYMENT

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, Canadians are anxiously awaiting their federal government's new job strategy. They must be very nervous.

In Ontario, we have Premier Bob Rae who earlier this year announced a $1 billion job creation scheme. As of last month, 675 jobs had been created at a cost to taxpayers of $21 million, an average salary of $31,000 per employee. In addition, 20,000 subsidized child care spaces were offered as part of the program. All of 38 people among the 675 employed are using the subsidies.

This dazzling example of blundering mismanagement serves as an example of what not to do. Given the Tory government's past record, Canadians must be anticipating with dread any new program.

What they want is an election now, so they can elect a Liberal government that can manage this country, unlike the Tories and the NDP.

* * *

FISHERIES

Mr. Peter L. McCreath (South Shore): Madam Speaker, it is with concern that I rise to bring to the attention of the House the grave situation in the Scotia-Fundy and Gulf of St. Lawrence groundfishery. The direct cutbacks with which the Minister of Fisheries and Oceans is faced will impact not only on my province but indeed on my own constituency.

I want to assure the people of the south shore that I will vigilantly defend the interests of our plant workers and our fishermen. All week I have been consulting with industry representatives, with fishermen and with community leaders. I have written to and met with the Minister of Fisheries and Oceans to put forward what I feel are constructive suggestions and the principles that should guide government action in meeting this challenging situation.

The minister must accept and act on valid scientific advice. Second, the bulk of the cuts must be shared equally by all sectors. Third, support measures must be put in place with the cuts to lessen the impact of those cuts and to provide necessary support for our people and our communities until such time as the resource can be restored.

Finally, I have urged the minister to initiate a formal review of fish harvesting technology to ensure that when the resource is restored it will be exploited in accordance with the principles of sustainable development and I have urged him to ensure that the task force on income security in the fishing industry reviews the long-term

needs of Nova Scotians dependent on the fishing industry as well.

ORAL QUESTION PERIOD

[*English*]

EMPLOYMENT

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

Yesterday I visited Hamilton and spoke to students at McMaster University. I met some workers. The number of jobs that have been lost in that area is terrible. With regard to the morale of the people, there is a sense of despair about what they will do after they graduate.

I met the mayor after that. The mayor said to me: "When will the government start to proceed with the idea that your party offered to the nation earlier in the year?" In January we said let us have a good program where the federal government will pay one-third of the cost, the provincial government one-third of the cost and the municipalities one-third of the cost. The mayor said to me that if this program were put in place, they have a lot of projects that could start putting people to work right away. For every $1 that the government will be investing in this program, there will $3 of work done.

Why is the government being so stubborn, not wanting to take this idea that has been approved and asked for by the mayors of municipalities in Canada? Of course, some of the jobs will be done just by municipal governments. Perhaps the federal government will not have all the credit it wants, but people will have work. That will create jobs and hope in the country.

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Madam Speaker, I think that the situation is indeed difficult and we are very much aware of it.

Many Canadians are hurting. That is why we must be sure that we do not lead them into dead-end streets and that we come forward with solutions that are very real.

One of the major problems which has led to a limit on the capacity of the government to intervene is the fact that we are all—the federal government, provincial governments and municipal governments—over indebted. Our debts are so high that they threaten our own sovereignty. We are paying the interest on the debt. We have not increased the debt by spending one additional penny.

An hon. member: Oh, oh.

Mr. Loiselle: Indeed we have. I can show that at any time.

Basically what we have to do is find real solutions. When the hon. member says one-third, one-third and one-third, there is only one Canadian taxpayer and that taxpayer is already overloaded with taxes. I do not think this is a proper avenue.

We are prepared to consider with provincial governments. We are studying with them. The Prime Minister and my colleague, the Minister of Finance, have indicated certain areas of intervention where we can through reallocation, by being very careful and fiscally responsible, intervene but not beyond that.

• (1120)

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): Madam Speaker, when the government took power in 1984, the debt was $175 billion, whereas today it is $450 billion. But they say that they did not add a penny to the debt! I don't know what kind of mathematics the President of the Treasury Board is using, but I would tell him that the government's inaction and bad policies have created that situation.

In the past eight years, there have been 31 tax increases, there have been cuts and deficits over $30 billion every year this government has been in power.

I would like to ask the government to change its attitude a little and to adopt this idea in order to create jobs. For every dollar invested by the federal government, three dollars will be spent. This is a concrete idea. For every billion dollars spent by the federal government, it will recover $750 million in taxes and savings on unemployment insurance that it would otherwise have to pay. Why does the government not take the initiative of spending a dollar to get back three?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Madam Speaker, I believe that shows how little the Liberals really understand the economy.

The Leader of the Opposition does not understand why we had a $200 billion debt with an operating deficit. We could not pay it because we had to borrow to pay salaries. This country was literally bankrupt. We went from minus 16 to minus 12 to minus 8 to zero and now we have an operating surplus. Slowly confidence is returning and interest rates have fallen.

In the last recession, we had interest rates of 22 and 23 per cent, high mortgage rates and inflation of 10 per cent. Inflation is now 1.6 per cent, one of the lowest rates in the western world, and we have interest rates at which business can afford to borrow.

That is what a government can do to create conditions in which industry can recover. But the whole world is in a recession. Next year, there will be 42 million unemployed in the OECD countries and Canada now has one of the strongest growth rates, although the rate is very small.

[*English*]

Hon. Jean Chrétien (Leader of the Opposition): Madam Speaker, I would like the minister to explain that to the 1.6 million unemployed. Most of them are unemployed because this government has a policy of just fighting inflation. The minister today is misleading the people and talking about lower interest rates in Canada. In Canada treasury bills for 90 days today are more than twice the price the American administration has to pay to get this money. The interest rates are twice as high in Canada today as in the United States and our government is doing nothing. Does it not want to create any hope for the Canadian people? The way we are going, it is going to be worse next year. We have to create some jobs, otherwise people will suffer even more and we may reach two million unemployed if this government does not wake up.

Look what is happening in the United States. They have a government—it is not in place yet—which gave hope to the Americans and hope to the nation that things will turn around. Here, with this government, it is despair, despair, despair.

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Madam Speaker, let us talk about hope and let us look at the real numbers.

Even though they are not very brilliant, and I do not deny that, we had the fastest growth of industrial production over the last year among the 13 major countries, which indicates that this is not a Canadian problem, it is a world problem. It was only .9 per cent growth. The next best were Australia and the United States at .2 per cent. They were .7 per cent below Canada while nine countries, including Japan, were at minus 8 per cent. Germany was at minus 3 per cent. We were at plus .9. This is not despondency. These are good numbers and the basics are right.

Hon. Herb Gray (Windsor West): Madam Speaker, I have a question for the Acting Prime Minister. In his speech last night to a $500 a plate elitist Tory fund raising dinner, the Prime Minister seemed to say that his government would be putting $300 million more into training from the unemployment insurance fund.

I ask the acting Prime Minister: How will this help the close to 750,000 people who are out of work but who are no longer able to get unemployment insurance payments? Why does the government not do something for these people who cannot afford $5 for dinner, much less $500 to attend a Tory fund raiser?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the hon. member refers to the plight of certain Canadians who are going through tough times.

He seems to find it funny that the Prime Minister of Canada last night indicated to Canadians that this government, on the advice of the private sector, labour, business and special interest groups which made a recommendation, would increase the active use of the UI fund in order to train Canadians so that they get a better job.

I know that it is tough for a Liberal to understand that in today's economy you need to have high skills. You need to have better training. This is the key to prosperity. It is the key to competitiveness. That is why the Prime Minister made that announcement last night.

I think the unemployed people who know that they have to train and improve their skills will welcome that news.

Hon. Herb Gray (Windsor West): Madam Speaker, the minister of employment has not answered my question as to how this announcement will help the 750,000 who are not eligible for unemployment insurance. I wish the government would talk more about the deficit in jobs than about the other kinds of deficits that seem to be on its mind more than anything else.

Twice this week the Prime Minister gave what purported to be economic speeches at $500 a plate Tory fund-raising dinners. I ask the Acting Prime Minister: If the government finally has a plan for economic recovery, why it does not disclose that plan fully right now through this Parliament to all Canadians, most of whom cannot afford $500 for an elitist Tory fund raising dinner and likely could not stomach it anyway?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Madam Speaker, it will be interesting for the hon. member to label the fund raisers of the Liberal Party. Maybe they do not have any. I know he hates us running in the black and him in the red, but that is not the question. The issue is the economy and jobs.

The Prime Minister last night and again on Monday here in Ottawa outlined the five principles that were guiding the economic policy of this government. I know that the Liberals like to see doom and gloom, and that is all they see. However, there are positive signs in the economy and those measures that are being outlined by the Prime Minister are in order to spur the creation of jobs, real jobs, and not make-work projects like the Liberals are advocating for Canadians.

I think that is what they want, and they will get their verdict on that issue.

* * *

TRANSPORTATION

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

For two years now I and my colleagues have been calling on this government to take action to prevent the collapse of Canada's two national airlines. Today as Canadian Airlines gets closer and closer to the edge, we find that the only action that the government seems prepared to be willing to take is, first, to demand more concessions from the workers and, second, to demand that Canadian Airlines put another 2,500 people out on the street.

Perhaps that is why the Prime Minister announced last night an extra $300 million for training. He knows there are going to be a lot more people out there looking for help as a result of the government's policies.

Will the minister confirm that in fact that is its strategy, more concessions from the workers and more job lay-offs from the airlines? If that is true, will he explain to the people of Canada why this government wants the crisis solved on the backs of the workers as opposed to taking its responsibility?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, my answer to his question is no, the government has not done such a thing.

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, since 1990 over 5,000 jobs have been lost in the airline industry.

That is 5,000 people who are no longer working for an industry that they believed in.

• (1130)

Is it not fair to suggest that the workers have already paid the price for the crisis in the airline industry? This is the crisis which was created by this government and the previous government.

Is the government prepared to demand yet a higher price from the workers? Is it prepared to invest in the future of the Canadian airline industry and provide enough funds to Canadian Airlines in particular to ensure that there is no need for an American airline to buy 40 per cent of Canadian Airlines? Will the government take that serious step?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, last Tuesday we received a proposal from the employees of Canadian Airlines together with PWA and AMR in which the employees offered to participate in an amount up to around $130 to $150 million. We indicated that because of this commitment by the employees we were prepared to listen and to examine the proposal. We have been doing so since last Tuesday on a very tight schedule. There have been many meetings and a lot of discussions.

The proposal they have presented to us has a lot of hurdles in it. There are very difficult aspects to reconcile with the best interests of Canadians considering again

the necessity to be very watchful on our financial situation. The discussions are ongoing and we expect to arrive at a constructive resolution no later than the beginning of next week.

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, the minister knows full well that financial assistance by itself will not lead to a permanent solution to the crisis in the airline industry. What the industry also needs, in addition to funds to keep both carriers in the air, is an assurance that there will be some kind of regulatory control to eliminate the excesses in the marketplace, whether it is pricing or whether it is the crazy kind of competition we have seen in a number of city pairs.

Is the government prepared to take that other step to ensure that not only the taxpayers' money is secured in any kind of assistance to the airlines, but also that the industry itself will survive not just for a year, not just for two years, but well past the year 2000?

[*Translation*]

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, that is precisely the position we have taken all along on this issue. We do not want the solution we provide to be only temporary. We have to take into consideration the jobs involved, whether direct or not, the financial situation of the two companies, the situation of civil aviation world-wide and how the market is positioning itself.

We are presently looking at all those factors. That is why it is now time to establish an ongoing dialogue with the people who have put their proposals forward to us last Tuesday to find a solution that is fiscally responsible, in the best interest of all Canadians and long-lasting rather that temporary.

[*English*]

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

The royal commission on transport recommendations can be summed up pretty easily. If you live in an area that has the population, you get the transportation. But if you live in a place like Atlantic Canada with a smaller population, you do not get the transportation or the industry or the jobs that go with it.

I ask the minister to be clear. Does he repudiate the recommendations of this royal commission or does he support these policies which would result in nothing short of economic apartheid for Canada's regions?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, I mentioned yesterday that this commission was put together three years ago. It was made up of very qualified people with expertise: Mr. Louis Hyndman, Madam Marie-Josée Drouin, Madam Susan Fish, Mr. Marc Gaudry, Mr. John Hamilton, Mr. John Helliwell, Mr. Bill Kelly, Mr. Maurice LeClair, Mr. James McNiven and Dr. Janet Smith who have been in the field of transport for many years.

This commission put a lot of work, a lot of effort, and a lot of thought into what it did over the three-year period. Its four-volume report contains not only enunciation of principles but also a lot of statistics and figures on what is going to happen in the transportation field for passengers in the next 30 years.

I suggest to the hon. member that if through his reading of the four volumes he has some specific questions, comments or suggestions to make, we would all benefit from that because what we have to do is examine these questions very carefully and come to a viable solution in the best interests of the nation.

Mr. Ron MacDonald (Dartmouth): On a supplementary, Madam Speaker, it is clear the government has no policy except to read volumes of documents because it does not know where it is going in the transportation sector.

What this government has never fully understood is that a country as vast and as diverse as Canada cannot only be run as a business, it must also be run as a nation. To do so means that certain costs are incurred, costs like providing equal and affordable access to viable modes of transportation no matter where one lives in this great nation.

I ask the minister for some clarification on the government's policy. Last night the Prime Minister said that he was looking at investment in the transportation sector while the minister said that he was studying cuts in the transportation sector. He cannot have it both ways. I ask him which is it?

[*Translation*]

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, to say such things, one has to be either totally irresponsible or ignorant of the facts. This commission did not only make recommendations on principles, it put together four volumes analyzing all these questions. As part of its analysis, the commission looked at the situation of the people who live in isolated areas and at how

their transportation needs could be met. It is absolutely not true that this commission suggested that the transportation needs in isolated areas be disregarded. The commission has enunciated principles they suggest we use as a basis for a very thorough examination—and I think it is simply a question of respect for the work of a commission paid for with public money—of these recommendations before making a final decision.

* * *

MANPOWER TRAINING

Mr. Alfonso Gagliano (Saint-Léonard): Madam Speaker, my question is directed to the Minister of Employment and Immigration. Last night in Toronto, the Prime Minister announced there would be changes in the unemployment insurance system. He also announced that he would free $300 million for manpower training. Could the minister tell the House today what these changes involve and how much of the $300 million would go to Quebec?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Madam Speaker, it should come as no surprise to the hon. member that the Prime Minister referred to a program that was made possible by Bill C-21, the amendment to the Unemployment Insurance Act. The hon. member will recall that his party and his colleagues in the other place held up the bill and prevented its passage for more than a year. Thanks to this program, in the past three years we have been able to increase the amount of money used to help people get the training they need by 67 per cent. That is a very substantial increase. Stressing how important it is to provide training for Canadian workers, the Prime Minister indicated last night that the $1.95 billion the government has currently invested in our labour force will be increased by $1.2 billion. This increase will provide training for more unemployed workers who, as a result of industrial restructuring, must upgrade their skills. As for the details of the program, I have a statutory obligation to table this information in the House, and that will be done.

• (1140)

Mr. Alfonso Gagliano (Saint-Léonard): Madam Speaker, I may remind the minister that for the past three years, unemployment has been increasing daily, and millions of unemployed Canadians are no longer listed as such because they are no longer listed as being entitled to benefits. They are completely discouraged.

Will the minister make this announcement in the House as soon as possible? What he has done in this area so far has not changed the fact that unemployment is increasing daily. Will these new measures put people back to work, preferably as soon as possible?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Madam Speaker, the hon. member will understand that the unemployment insurance budget run from January 1 to December 31, which is the current financial year. The amounts for the current financial year have not been changed by this announcement. However, as far as next year is concerned, the additional $1.2 billion will be announced in the House as soon as possible. The recommendation for this increase, made by the labour force development commission, has been approved, and the details will be available to the House and to Canadians very shortly.

* * *

[*English*]

TRADE

Mr. Rod Murphy (Churchill): Madam Speaker, yesterday Mr. Justice Marshall Rothstein of the Federal Court of Canada, in the case of the referendum on national unity, ruled that the government "did not have reasonable grounds to withhold disclosure".

I ask the acting Prime Minister regarding the free trade agreement with the United States and Mexico, will the government finally release the documents, polls and studies it has done so that the people of Canada can know what the effects of this agreement will be?

Right Hon. Joe Clark (President of the Privy Council and Minister Responsible for Constitutional Affairs): Madam Speaker, we will be looking at the judgment by Mr. Justice Rothstein and taking the appropriate actions after we have had the opportunity to examine it closely. It came down yesterday.

Mr. Rod Murphy (Churchill): Madam Speaker, the judgment was against the government. It has tried to hold back that information.

Will the government again try to hold back information on the free trade agreement with Canada, the United States and Mexico? We have asked six times in this House for sector by sector studies and we have not got that information. Why will the government not release it to Canadians?

Right Hon. Joe Clark (President of the Privy Council and Minister Responsible for Constitutional Affairs): Madam Speaker, the fact that the matter has been before the courts indicates there is some question as to the obligation of the government with respect to several of these matters.

There has been a judgment by Mr. Justice Rothstein which we will consider and which we will take into account with regard to other actions before the government.

* * *

COMMUNICATIONS

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, my question is to the President of the Treasury Board in the absence of the Minister of Communications.

Today the media informs us that taxpayers have been paying since May and will be paying until March of 1993 for a swanky apartment in Ottawa at the Minto Place Hotel and a free airline ticket to Vancouver every 14 days for the assistant deputy minister of communications.

I want to ask the minister in charge of the purse-strings: Is this what he considers to be wise expenditure of taxpayers' hard earned dollars?

Hon. Gerry Weiner (Minister of Multiculturalism and Citizenship): Madam Speaker, I will take notice of the question, not having been previously advised of the issue, and will make sure that the minister, on his return, addresses himself to the question at that point.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, I am surprised the government doesn't know what was in the headlines this morning. Even the Minister of Transport must know about it.

My question to the minister is this: The spokesperson for the Department of Communications said, in response to questions from the media and I quote: "Within six months he is expected to decide whether he is going to leave the foothills of the Rockies. He has been attached to this area".

I would like to ask the government, which seems to be in a fog this morning, what it intends to do to stop this profligate spending?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, hiring contracts often include special provisions. These are usually reasonable and take the family situation into account. I am not familiar with the particular case mentioned by the hon. member, but we will look into the matter and get back to him at the appropriate time.

* * *

[*English*]

LABOUR

Mrs. Ethel Blondin-Andrew (Western Arctic): Madam Speaker, my question is for the Minister of Labour. The people of Yellowknife have been living in fear for almost six months. Essentially the community has been ripped apart.

The level of violence and tension is escalating each day and is affecting the entire community. Intimidation is reaching uncivilized proportions. Local government is worried that acts of violence will accelerate during winter months. For example, the power outages we have experienced successively could have a devastating impact on the community of 17,000.

As I have asked many times through correspondence and in person, what is the minister prepared to do before tragedy strikes this community again? When, for example, will the result of the mediation be made public?

Hon. Jean J. Charest (Minister of the Environment): Madam Speaker, the Minister of Labour is away on government business today. I will pass on the member's question to him.

The information I have is that mediation is going on. Without having any details on the matter, it is worth remembering that mediation does involve the parties and mediation can do so much to bring parties together. However, fundamentally it is for the parties to reach an agreement among themselves at the end of the day.

As far as the other incidents she alludes to, there is a great deal of concern in this House about incidents around this strike. We all feel deeply that these are sad events when they occur. I understand there is also an investigation going on and hopefully it will lead to some conclusion.

Mrs. Ethel Blondin-Andrew (Western Arctic): Madam Speaker, my supplementary question is for the same minister. Despite the horrific level of violence and the tragedy that has taken place, the minister responsible, who has sole jurisdiction and responsibility federally because we have no territorial labour legislation, has done next to nothing to resolve the situation.

I have asked this government time and time again to take a course of action. I have asked the minister responsible to travel to Yellowknife, NWT to see first-hand what is going on. Is the minister prepared to station someone from the labour department in Yellowknife to personally experience what the people there are experiencing, the terror and the tension? Perhaps then he would take responsible action. He would do the responsible thing and take a course of action to find a resolution to this very sad situation.

Hon. Jean J. Charest (Minister of the Environment): Madam Speaker, from the member's question, she is alluding to two areas of responsibility. One is the labour dispute itself and I will certainly convey the question to my colleague. I guess I can only reiterate that at the end of the day it is the parties that have to come to an agreement. It is not the minister who can do that or a mediator for them.

On the allegation of violence, the Solicitor General's office will be interested in those comments. I assume that if the member has any specific information about any possible violence that she would bring that to the attention of the appropriate officials.

Mrs. Blondin-Andrew: Just ask the RCMP. They put out a report every day.

Mr. Charest: I assume the member will bring that to the attention of those officials and the authorities who have the responsibility for enforcing the law.

* * *

[*Translation*]

THE ENVIRONMENT

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, my question is for the Minister of the Environment.

For several months, the people of Abitibi and northern Quebec have been worried about the ozone layer.

We all know that you are a man of action and I wonder what Canada's position will be at the meeting on world environment in Copenhagen next week. Is the purpose to follow up on the Montreal Protocol and protect the ozone layer?

Hon. Jean J. Charest (Minister of the Environment): Madam Speaker, indeed, this whole issue of ozone depletion is a great worry for the public. Here in Canada we have a protocol named after a very important Canadian city, Montreal. Canada has always been a leader in this field.

The meeting in Copenhagen will enable the participants to review the provisions of the protocol as such. Canada has already taken a position, with the provinces' support, to speed up the elimination of CFC's by 1995. I will not go into details here, but other substances will also be dealt with.

Madam Speaker, Canada will also insist on recycling and recovering CFC's. Here again, the provinces have put forward regulations dealing with those issues. This is within their jurisdiction.

• (1150)

I am pleased to tell you today that there is a consensus across the country on these issues and we will urge the international community to do the same.

[*English*]

THE ECONOMY

Mr. Steven W. Langdon (Essex—Windsor): Madam Speaker, the Prime Minister continues his dance of the seven veils, gradually revealing his economic plans outside the House. However, some of these plans have already been rejected; for instance, the highways initiative which Ontario attacked this week as being far too narrow and unfair in its limited help for Ontario where most jobs have been lost in this recession.

Will the government agree to include a wider variety of infrastructure projects in its proposed program, and will it provide a larger share of federal resources to Ontario than the 15 per cent which is presently planned?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Madam Speaker, my colleague the Minister of Finance will make a statement early next month, on December 2, when the policies of the government to address the present situation will be made public.

On the highway initiative, we have said that we are prepared to develop with the provinces a fiscally responsible solution. We cannot do otherwise. If deficit spending and more borrowing were the answer to unemployment, Ontario would be booming, because the Ontario government has done that and the situation has gotten worse.

It is important to tell Canadians who are hurting that the solutions are not easy and that we can easily make them worse unless we manage our affairs properly. If we really want to help them, we have to get our house in order and be sure we are headed in the right direction and not down dead-end streets. More borrowing would lead to higher interest rates. A one per cent growth in interest rates would cost the government $1.8 billion more, which would not be available for highways or anything else. This is the harsh reality we are dealing with.

Mr. Steven W. Langdon (Essex—Windsor): Madam Speaker, the reality is that this government has made the deficit at the federal level much worse, so much so that 35 cents out of every tax dollar is paid for debt servicing, whereas in the province of Ontario it is 14 cents out of every tax dollar, a major difference.

Environmental groups have also attacked the highways initiative as the wrong way to get people back to work.

Will the government also fund a new green jobs initiative to support improving energy efficiency, new recycling activities and upgrading municipal sewage and water treatment? This could give us thousands of new jobs and a much cleaner environment.

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Madam Speaker, the difference between our deficit and the deficit of the Government of Ontario is very important. Our deficit does not come from additional expenditures by this government. We have kept our expenditures under control. Our deficit comes from higher unemployment and lesser revenue and not higher spending, which is the case in Ontario. This is quite a difference.

Does the hon. member suggest we borrow more money? Canadians are extremely worried about our debt situation and the cost and the threat to our programs. If the hon. member is concerned about maintaining good social programs and a capacity to assist people who need it, he has to be very careful that we do not spend all the money on these kinds of projects.

* * *

TRANSPORTATION

Mr. George S. Rideout (Moncton): Madam Speaker, my question is for the Minister of Transport.

There are no rail lines in Newfoundland or Prince Edward Island and the government has abandoned the line from Sydney to Truro. Now CP wants to abandon all the lines east of Sherbrooke. At this rate there will be no rail lines in Atlantic Canada.

The Trans-Canada Highway is a two-lane mess and the Royal Commission on Passenger Transportation has said: Pay as you go.

Will the minister explain to Atlantic Canadians how they can pay as you go when there is nothing to go on, even if they had the money to pay?

Hon. Jean Corbeil (Minister of Transport): Surely, Madam Speaker, the hon. member, whom I have known for many years to be a responsible person, would like to correct the record. The Government of Canada entered into an agreement with the Government of Newfoundland to remove the railways from Newfoundland and replace them by participating in road building in New-

foundland. This was not a unilateral decision by the Government of Canada.

The Truro–Sydney line has not been abandoned. CN has tried to sell that line. It has received some proposals that it is examining at the present time. These will have to be examined by the government as well.

CP's action this week is not the removal of the line. CP is asking the NTA to give it permission to do so. During that process everyone who is not in agreement will have the occasion to make their comments known. This is a very good democratic process.

[*Translation*]

Madam Deputy Speaker: The minister will surely be able to elaborate in his answer to the supplementary question. The hon. member for Moncton has the floor.

[*English*]

Mr. George S. Rideout (Moncton): Madam Speaker, Atlantic Canadians are going to feel a lot better after that announcement.

With the abandonment of rail service in Atlantic Canada, transport traffic on our killer Trans-Canada Highway will dramatically increase. The Prime Minister continues to dither on whether there should be a national highways upgrading program. Each weekend in New Brunswick we read in our newspapers about more deaths on the Trans-Canada Highway.

Will the minister commit, whether other provinces join in or not, to upgrade the Trans-Canada Highway in New Brunswick?

[*Translation*]

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, the hon. member opposite will know that at a meeting with the Prime Minister of Canada last March, the first ministers agreed that a program to repair our national highways would be set up with federal participation. Later, the Minister of Finance included this item in his budget. Since then, discussions have been held with the premiers and the ministers of transport to try to come up with a solution acceptable to all provinces.

[*English*]

INTEREST RATES

Mrs. Louise Feltham (Wild Rose): Madam Speaker, although interest rates today are significantly below those of previous years, yesterday's interest rate increase will no doubt present problems for small businesses that need to borrow money to start up or to expand.

My question is for the minister for small business. What initiatives is he undertaking to help this vital sector of the Canadian economy?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Madam Speaker, I would like to thank the hon. member for her question.

At present in the House we are amending the Small Businesses Loans Act to raise the ceiling. I have also indicated that we can improve that Small Businesses Loans Act even further to give access to federal loan guarantees to small business. The Federal Business Development Bank has increased its loans 13 per cent this year.

We will continue through all our regional agencies to help small business. There will be new initiatives coming as well, as the Prime Minister said last night.

Madam Deputy Speaker: A single question from the hon. member for Prince Edward—Hastings and a single question from the hon. member for Skeena.

* * *

AGRICULTURE

Mr. Lyle Vanclief (Prince Edward—Hastings): Madam Speaker, my question is for the Acting Prime Minister or whomever is answering on behalf of the Minister of Agriculture today.

We know that a cold and wet summer and fall in Ontario, and as well in much of Canada but particularly in Ontario, have left 1.5 million acres of corn in the field. Farmers have been unable to harvest 90 per cent of the crop because of high moisture content in the corn and in the fields. Farmers are strapped for cash. The present advance payment program does not allow the use of that program for standing crops.

• (1200)

Is the government prepared to make adjustments to that program so that this money, which would not be new money, would be available to those corn producers to pay their bills this fall?

Mr. Murray Cardiff (Parliamentary Secretary to Minister of Agriculture): Madam Speaker, I am very happy to respond to the hon. member's question about the current situation.

I know the government is aware of the terrible situation in Ontario, particularly with the wet weather and the lack of maturity of some of the corn crop.

The department is currently reviewing existing programs to see if there is not some method of getting some assistance out to the cash strapped farmers. We are aware of the disastrous situation and the lack of cash. We know that at this time of year many farmers have to depend on the sale of crops to meet expenditures.

We are working with the provinces through crop insurance, et cetera to see if there is something we can do.

* * *

THE ENVIRONMENT

Mr. Jim Fulton (Skeena): Madam Speaker, on April 21, 1988 the President of the Privy Council, in response to my questions, told the House: "If plutonium is to be moved following current practices by sea, that plutonium is subject to hijacking, subject to uses that can be extremely dangerous not only to Canadians but to all of mankind".

Japan required Canada's consent before beginning to ship 35 tonnes of plutonium oxide from Europe to Japan. The first shipment of 1.5 tonnes left France November 8 and is now in the south Atlantic. Canada gave its consent.

I would like to ask the Acting Prime Minister if he would explain to Canadians why the government reversed its position on safety and has now approved the risks of hijacking, nuclear accidents and possible contamination of the high seas.

Right Hon. Joe Clark (President of the Privy Council and Minister Responsible for Constitutional Affairs): Madam Speaker, the hon. member correctly quoted me in my former capacity as giving the statement that he quoted into the record.

I have not been following the file personally lately. The Secretary of State for External Affair is away from the House today on public business. I will draw the member's question to her attention and I am sure she will respond to it.

[*Translation*]

THE LATE HON. SENATOR THOMAS LEFEBVRE

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I am sorry to rise in the House today to announce the death of our friend, Senator Tom Lefebvre.

As you know, he was a member of this House for the riding of Pontiac—Gatineau—Labelle for a long time, from 1965 to 1984. He was also our party's whip when we formed the government for many years. I am sure that opposition members and members of all parties realized what a gentleman and hard worker he was. He probably represented the best that Parliament can produce. He was a very simple man who came from a rural background. He spent his life serving his fellow citizens at all levels. He had only friends.

Personally, I considered him as one of my good friends, one of my good advisers, because he did not seek publicity or promotions and served his constituents extremely well. When we have difficulties in politics, and each one of us has had some, there are always people like him whom one wants to have around. In all circumstances, when giving advice, he showed sound judgment and really reflected the political grass roots.

He also believed deeply in this country.

[*English*]

Whenever he went travelling in Canada and abroad, he solidly defended the virtues of Canadians. I have heard him making some very moving, simple speeches about what it is like to be Canadian, to be of a different language and sharing his experiences with others.

He represented a riding where the francophones and the anglophones live together. He always maintained peace among them and he was admired by the two

communities. I am very sad today, and I know that my colleagues will share this sense of a great loss.

[*Translation*]

Tom was a very fine man. He was a fine example of what this country can produce.

On behalf of my party and my colleagues, I would like to offer his very charming wife and his family our sincerest condolences. His wife and children can take comfort in remembering that he was a real gentleman. He was a very good Canadian.

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Madam Speaker, my party and I wish to join in what the Leader of the Opposition said. Tom Lefebvre was well liked here in the House and respected as an effective member and as a Canadian who never questioned the value of our great country.

[*English*]

He was a friend of mine and was one of those few people who served in this House whom every member could honestly call a friend and regarded as a friend.

As the Leader of the Opposition has said, he was first elected here for Pontiac—Temiscamingue and then served for the riding of Pontiac—Gatineau—Labelle. He was the Whip of his party in government. That in many ways is the most partisan of jobs and yet he did not conduct it in a way that caused others in this House and other parties to regard him as a partisan; quite the contrary.

He saw his responsibilities as the chief government Whip to make this Canadian institution work and he did what he could to make this institution work. I think all of us were surprised and certainly deeply saddened by the news this morning of his death.

He served, as the Leader of the Opposition has indicated, on in effect three levels of government in Canada. He was a local councillor in Temiscamingue, he then served in this House and he was also the chairman of the NATO parliamentary delegation, indicating a very active and constructive interest in international affairs.

In the other place he served on the committee on energy, environment and natural resources and naturally, given his long experience in the workings of Parliament, on the committee dealing with internal economy and budget administration.

He was a friend of all of us. I want to express to his family the condolences of the Prime Minister, myself, and all of us who feel today that we have lost a friend in the passing of Tom Lefebvre.

[*Translation*]

Hon. Lorne Nystrom (Yorkton—Melville): Madam Speaker, I knew Tom Lefebvre very well, as did the members for Regina—Lumsden and Brant, who were also his friends.

He was only 65 years old. He was the member for Pontiac—Gatineau—Labelle where he was elected in 1965 and re-elected five times to this House. I remember Mr. Lefebvre very well, because I was the Whip for the New Democratic Party between 1975 and 1981 and during that time, he was chief Whip for the Liberal Party in the Government of Canada. After the 1979 election, he became chief whip for the Liberal Party in opposition.

Later, I remember very well that he was appointed to the Senate in July 1984 by the then Prime Minister, the right hon. member for Vancouver Quadra. He was also a parliamentary secretary when he was a government member.

[*English*]

Mr. Lefebvre was very well liked by all members of the House. I remember when I was elected back in 1968 he was one of those people whom, regardless of which party he was in, you could approach. He was very approachable, helpful, likeable and he was highly respected. He loved this institution, he loved Parliament, and he made a contribution to the institution of Parliament.

After he left this place he was named to the Senate and he continued his love for the parliamentary institution in the other place. He was very active in many of the parliamentary associations and really enjoyed being part of public life.

On behalf of my party I want to extend my deepest sympathy and condolences to his wife, children and the rest of his family.

[*Translation*]

Mr. Barry Moore (Parliamentary Secretary to Minister of National Revenue): Madam Speaker, I was also very saddened this morning when I learned that Senator Tom Lefebvre had died.

As one of his constituents, I knew Tom for nearly 20 years. He worked very hard for his riding and was always attentive to his constituents' needs. He lived his whole life in politics because politics was his life. For me, this is a very sad day.

• (1210)

[*English*]

I was very saddened to hear of Tom's passing today, and I call him Tom with all respect because everybody always called him Tom in the riding.

He treated each and every one equally, he listened carefully to all constituents.

I would like to pass on deepest sympathy and condolences on behalf of all constituents of Pontiac-Gatineau—Labelle, whom he served so well, and myself to his dear wife Lea, and to his children Lise, Guy and Jean.

* * *

PRIVILEGE

PRESIDENT OF THE TREASURY BOARD

Mr. Don Boudria (Glengarry—Prescott—Russell): Point of privilege, Madam Speaker. I am sorry to rise suddenly on this issue but it is of utmost importance and it is a point of privilege.

At the same time as my colleagues and I were standing in this House moments ago to pay our respects to a colleague who has just passed on, the staff of the President of the Treasury Board was handing out details of budgetary cuts in the hallway outside this Parliament instead of tabling them in this Parliament.

If the Chair would review the definition of contempt on page 143, chapter 10, of Erskine May's 20th edition, I would submit that the actions taken by the government, more particularly the President of the Treasury Board, are in contempt of this House.

Clearly these actions show the most disrespect for this Parliament when a document of this nature announcing major budgetary cuts to a whole variety of government departments is not tabled in the House but distributed to the press in the scrum area by the staff of the President of the Treasury Board at the same time as we are sitting, in particular on the issue we were discussing at the time the incident happened.

This reeks of disrespect for this Parliament.

I call upon the government House leader to avail himself of that information, to speak to his colleague, and I would ask the Speaker to rule on this issue at the appropriate moment. I submit that this is clearly in contempt of Parliament. This goes against our practices. Never would we do anything like this in the past on any occasion, let alone the occasion we are living through right now.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I have never heard a more irrelevant or inaccurate suggestion of what is a point of privilege or contempt of the House.

Apparently what the President of the Treasury Board is guilty of is informing the public through the media, which is the messenger we use, of some actions taken by the Treasury Board.

I am really dumbfounded as to what is behind the indignation of the hon. member. Is he suggesting that any government action, anything taken by any minister, must never be communicated to the media or to the public, to those affected, except by way of tabling a document in the House of Commons?

Frankly I am quite astounded by the hon. member's raising this point. I listened to his speech this morning on the motion he has on the floor and I would really wonder how respectful of Parliament that was.

I am not raising a point of privilege on it. That is part of the partisan debate that goes on around here all the time; perhaps the kind of debate that does not give the public a great deal of respect for this institution but it happens nonetheless.

I have to say dismiss out of hand any notion that somehow it is an offence for a minister and/or his staff to make comments about or inform the affected public and the media of actions taken within that minister's department.

Mr. Rod Murphy (Churchill): Madam Speaker, I do not believe that this is a question of privilege or a point of order.

The problem here is that there were questions during Question Period on the economy on what the government is going to do. In none of the answers from the ministers, including the minister whose department released the letter, did they indicate that this action was

not only being contemplated but that it was being done at that time.

In other words, press secretaries were running around this building passing out letters in French or English, depending on the reporter, and the minister who was standing up answering questions on the economy did not have the courtesy to tell the people in this House and Canadians directly what the government was doing.

The government should be more forthcoming and more honest with Canadians.

Mr. George S. Baker (Gander—Grand Falls): Madam Speaker, on the same point of order. The NDP and the government House leader in saying that it is not a point of privilege and not a point of order are forgetting the fundamental reason why we are here.

There is such a thing as accountability to the people of Canada through this House. This is not an ordinary announcement that the hon. minister has just released here today. This is not an ordinary piddling little announcement on something. No, this is a major change in the budget and the estimates of the government departments going through this Chamber. This is a major change. The outline given outside the doors to this Chamber talks about exactly $500 million in the next two months, one-half billion dollars while the estimates, while the legislation arising out of the budget of the estimates of the department, are going through this Chamber.

Madam Speaker, I want you to keep in mind and I would like you to think about this: There is only one reason why this Chamber sits. There is only one reason primary why this Chamber, called the Parliament of Canada, sits here. That is to make the government accountable to the people of Canada through this Chamber because there is no other mechanism.

We debate in this House all the time our rules concerning Question Period and the accountability of the government to the people. We have seen the erosion of certain principles of accountability like committee of the whole because it has all become very complex.

This smacks at that very principle. The government cannot, while we are sitting on a Friday afternoon, keep it in mind, circulate outside this Chamber a document which changes the very business that we are considering in estimates which were approved by this Chamber and on which we have spent months.

Here the government is changing the entire business of the country on a Friday afternoon at 20 minutes after twelve o'clock outside this Chamber without allowing it to be heard and to permit us to do our job as members of Parliament.

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Madam Speaker, on a question of privilege. I would like to table in the House the letter that was sent by the secretary-general of the Treasury Board to other deputy ministers to inform them of the decisions they have to make pertaining to the management of their departments.

[*Translation*]

Madam Deputy Speaker: I suggest there is no need at this time to make decisions, rulings or assumptions, to look at what this or that person may have done and to decide one way or the other. I think that, over the years, in the Canadian practice and laws, several Speakers' rulings have reaffirmed that documents circulated outside this House can not normally form the basis of a question of privilege. The President of the Treasury Board has indicated that, in any case, he will be tabling this document at the call of the "Tabling of documents". I promise to take this up anyway with the Speaker and we will get back to the House on this if need be. But for the time being, I believe the matter is closed.

ROUTINE PROCEEDINGS

• (1220)

[*Translation*]

HOUSE MANAGEMENT

51ST REPORT OF STANDING COMMITTEE

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Madam Speaker, I have the honour to present the 51st report of the Standing Committee on House Management dealing with the selection of Private Members' Business items as votable items.

Routine Proceedings

HOUSE MANAGEMENT

52ND REPORT OF STANDING COMMITTEE

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Madam Speaker, I have the honour to present the 52nd report of the Standing Committee on House Management.

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

* * *

[*English*]

OFFICE OF THE VICTIMS' ADVOCATE

MEASURE TO ENACT

Mr. Derek Blackburn (Brant) moved for leave to introduce Bill C-373, an act respecting the Office of the Victims' Advocate.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Blackburn (Brant): Madam Speaker, the office of advocate would be an officer of the House of Commons. The advocate would provide support and information to victims on every criminal procedure affecting them and their offender, not only what the general law states, but information on individual cases as is allowed by law.

Third, the office of advocate would establish contact between victims and counsellors and support groups in the community. He or she would provide compensation for any costs incurred by the victim that are not borne by existing government programs or insurance policies.

Finally, and above all, the advocate would recognize the pain and would address the needs of victims of crimes.

Madam Deputy Speaker: Mr. Blackburn (Brant) moves that the bill be now read the first time and printed.

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

Bill read the first time and printed.

PETITIONS

BILL C-327

Mr. Steve Butland (Sault Ste. Marie): Madam Speaker, it gives me great personal privilege, pursuant to Standing Order 36, to present four separate petitions from across the country: Regina, Saskatchewan; Stratford, Ontario; Brampton; Yellowknife; Nepean; Ottawa; Port Alberni, B.C.; Orleans and Gloucester. All of these petitioners are speaking out in support of C-327, an act to assist employees to purchase a controlling shareholding in the corporation that employs them.

This bill will be debated this afternoon from four o'clock to five o'clock in Private Members' Business and I would solicit support from both other parties.

EDUCATION

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, I have a number of petitions to present as well. One relates to the problem that teachers experience in purchasing equipment and services to use for the education of our children. They note that the teachers bear a burden of extra curricular expenses in order to improve their professional skills and to acquire certain academic services and materials which are intended to further the level of education for our children.

The petitioners also note that self-employed professionals and business people have deductions for operating expenses and improving their office or business, even deductions for two-martini lunches and the services of prostitutes through escort agencies. They therefore call upon Parliament to request that the Minister of Finance and the Minister of National Revenue take action to amend the present Income Tax Act to allow teachers who teach in the educational institutions of Canada deductions for professional expenses made during the course of their employment.

SOFTWOOD LUMBER

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, my second petition comes from the west coast of Vancouver Island, in particular Port Alberni in my constituency. In this petition the petitioners note that U.S. has unfairly imposed a duty on Canadian softwood

lumber exports to the United States and has engaged in numerous other trade practices which amount to harassment of Canadian producers.

They also note that the free trade agreement between Canada and the United States has resulted in lost jobs and devastation of the Canadian economy without providing the promised benefits.

The petitioners, therefore, call upon Parliament to request that the Prime Minister and the Minister Responsible for International Trade take any action necessary to defend the interests of the Canadian softwood lumber industry against the unfair duty and request that Parliament act immediately to effect the cancellation of the Canada–U.S. Free Trade Agreement.

POVERTY

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, my final petition is from a number of people in the community of Port Alberni who note that on November 24, 1989, the House of Commons expressed its concern for more than one million Canadian children currently living in poverty and noted that Parliament sought to achieve the goal of eliminating poverty among Canadian children by the year 2000.

They note that poverty among children inhibits learning and preparation for employment, thereby constituting a future cost to Canadian national productivity.

They note that on May 7, 1992, the Minister of National Health and Welfare said: "There is no plan to cope with the problem of poverty exclusively for children". They also note that Canada has ratified the United Nations Convention on the Rights of the Child and has a moral obligation to seek the elimination of child poverty in Canada.

They therefore call upon Parliament to take the actions necessary to reaffirm its commitment to seek the elimination of child poverty in Canada by the year 2000 and to develop a plan for the implementation of this commitment.

[*Translation*]

REQUEST FOR ELIMINATION OF VIOLENCE IN OUR SOCIETY

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, I have the honour to table four petitions signed by residents of Malarctic, Dubuisson, Val-d'Or, Radisson, James Bay, Sullivan and Vassan, in Abitibi, who claim that violent movies on television are dangerous and therefore unacceptable because they incite to more violence.

They say that all toys that incite to violent games are unacceptable and should no longer be produced. They also suggest that the freedom of the press to report violent acts should be limited, and information on acts of violence which is repeated too often on all television stations as well as on the radio can incite others to commit the same violent acts.

Therefore, the petitioners humbly call on Parliament to legislate on the above-mentioned points to eradicate violence in our society in order to better protect our children and ensure a better quality of life for all of our fellow citizens.

[*English*]

ABORIGINAL LANGUAGES

Mrs. Ethel Blondin-Andrew (Western Arctic): Madam Speaker, pursuant to Standing Order 36, I present on behalf of the First Nations a petition regarding aboriginal languages which are 53 distinct living and vital languages, representing 11 linguistic families.

The undersigned petitioners call upon Parliament to fulfil its responsibilities to the citizens of the First Nations and aboriginal peoples in Canada by taking immediate steps to recognize the right to use, preserve and enhance aboriginal languages.

This is something that was attempted in the Constitution. Unfortunately, it failed. However, this petition expresses the will of the people regarding the importance of their language.

HOUSING

Mr. Neil Young (Beaches—Woodbine): Madam Speaker, I too have the privilege of presenting a petition with

many hundreds of names on it organized by the National Pensioners and Senior Citizens Federation.

The petitioners wish to draw to the attention of the House that many Canadians experience serious housing problems and that the Government of Canada terminated the federal Co-operative Housing Program on February 25, 1992. This action has eliminated 2,000 new co-op housing units for 1992 alone, along with 4,000 construction and manufacturing jobs for the same period and that there are approximately 164,000 rental households who want to move into co-op housing due to the success of the program in creating affordable, stable and mixed income communities.

• (1230)

Therefore, the petitioners humbly pray and call upon Parliament to urge the government to reinstate the federal co-op housing program immediately and to commit the $6.1 million to the program which had been planned for 1992 to permit approximately 2,000 co-op housing units to be sponsored this year.

NORTHERN TAX ALLOWANCE

Mr. Len Taylor (The Battlefords—Meadow Lake): Madam Speaker, I have two different petitions to present today. I am pleased to present more petitions signed by residents of the rural municipality of Beaver River and the communities of Pierceland and Goodsoil in northwest Saskatchewan.

The petitions concern the northern tax allowance and outline these residents' frustrations with the errors made by Revenue Canada in interpreting how the benefit affects them.

The petitioners ask that the government and the Minister of National Revenue review the recent ruling of the Tax Court of Canada which returned the benefits to only some residents of the area eligible for the northern tax allowance. The petitioners ask the minister to change this policy so that all residents who are otherwise eligible will be treated fairly.

BILL C-91

Mr. Len Taylor (The Battlefords—Meadow Lake): Madam Speaker, I am also pleased to present today petitions signed by another 668 residents of northwest Saskatchewan who want the government to withdraw Bill C-91, the legislation that will allow brand name prescription drug companies to market their drugs without competition from generic drugs for periods of up to 20 years.

With these signatures from residents of the communities such as The Battlefords, Speers, Meadow Lake, Shell Lake, Wilkie and Canwood, the total number of signatures I have now presented from residents of the constituency I represent total 1,700.

I am in agreement with the concerns raised by these petitioners and I join them in asking the government to withdraw Bill C-91.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): I suggest, Madam Speaker, that all questions be allowed to stand.

[*English*]

Mr. Skelly (Comox—Alberni): Madam Speaker, I rise on a point of order. I have had two questions on the Order Paper, Nos. 283 and 284, since April 1, 1992, close to eight months. Although I requested an answer to those questions in 45 days, the minister has refused to answer.

I would therefore give notice under Standing Order 39(5)(b), that I intend to transfer Question No. 283 and to raise the subject matter thereof under the adjournment motion of the House. I do hope the minister will then see fit to answer Question No. 284.

Madam Deputy Speaker: As far as Question No. 283 is concerned, our rules do provide for such a procedure. It is agreed and so ordered.

Mr. Edwards: Madam Speaker, I did have a conversation with the hon. member earlier this week. I told him that best efforts were being made to get him answers to both questions.

It is his right to have the first matter transferred for debate and I understand that now will happen.

I regret that I was not able to deliver on my best efforts by the end of this week, but I can assure him that there is no refusal on the part of the minister. It is a matter of processing the appropriate paper, and every effort is

being made to supply him with the answer to the other question.

Madam Deputy Speaker: Shall the remaining questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—REQUEST FOR GENERAL ELECTION

The House resumed consideration of the motion of Mr. Boudria (p. 13691).

Madam Deputy Speaker: There were three minutes left in the question and comment period following the intervention by the member for Calgary Southwest.

Mrs. Ethel Blondin-Andrew (Western Arctic): Madam Speaker, I thank you for the opportunity to ask a question of my hon. colleague on the other side of the House.

This motion states specifically that it is a debate on confidence in the government and the government's inability to provide leadership and direction on the economic and social affairs of the nation.

As I have stated publicly before, I am really at a loss and severely frustrated with the whole issue of the giant mine strike in Yellowknife.

Clearly there has not been the kind of direction and the kind of leadership required to resolve the issue. It has had a devastating impact on all citizens. It has been a no-win situation for the Northwest Territories. For the citizens of Yellowknife it has essentially ripped the community apart. We are in a situation that is on the verge of another perhaps devastating event that could occur. Every day the tensions escalate in that community. What is occurring is that the RCMP is putting out press releases with every incident that occurs in relation to this strike.

It is unresolved at this point. It is quite clear, as my hon. colleague will know, that the government has sole jurisdiction in this particular area, sole responsibility, because there is no NWT labour legislation.

I would like to ask my hon. colleague why the impact of this strike has had such a devastating impact on the economy. Talk to anyone on the streets of Yellowknife; the cab drivers, the people in the cafes, the people in government offices will tell you that it has had not only a morally devastating impact socially but a devastating economic impact.

I would like to ask the hon. member why the Minister of Labour has taken a holiday on this issue. Why is it that the mediation has not been aggressive enough to have come to some resolution on this particular issue? Where is the leadership? Where is the confidence that we need at this time in the community of Yellowknife?

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Madam Speaker, to my colleague, the member for Western Arctic, I would like to extend not only my sympathies but the sympathies of all members with us today to those people in the city of Yellowknife and specifically to those families that lost their loved ones. This strike was devastating as were the events that followed afterwards.

It has ripped the community apart, and I will acknowledge that.

The Minister of Labour did travel to Edmonton some months ago and drew both parties together with regard to a mediator to try and resolve the very difficult situation up in Yellowknife. I can assure my colleague that he has not taken a holiday. There are procedures that we go through and obviously sometimes it is very difficult to get striking parties to come to an agreement.

I certainly once again extend my sincere sympathies, but must also say to her that this is in the forefront of the Minister of Labour's concerns and hopefully there will be some resolution in a short period of time.

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, I appreciate the opportunity given to me to take part in the debate on my colleague's motion. I note that it is very similar to a motion that was presented to the House by the Tories way back prior to the dissolution of Parliament in 1984 when they were attempting to get the Liberals to call an election and to move out of the way. At that time the Liberals were a very unpopular government.

I am a bit concerned that this motion is made to be a little cute and is motivated by revenge more than anything else. It does not really express concern for the unfortunate economic situation that most Canadians find themselves in today. It is unfortunate that in the lead-off speech made by the Liberal Party the member did not cite any of those concerns, that he only quoted the polls and referred back to the debate that took place in 1984 when the Tories presented a similar motion to the Liberal government of the day.

I was hoping that if the Liberals were going to be bringing forth a motion of non-confidence in the government, it be one that contained some substance and that the debate would contain some substance and not just a bit of a gimmick to try to bring about a little revenge for a motion that the Tories brought against the Liberals several years ago that was equally devoid of substance.

• (1240)

It seems to me that one of the reasons why Canadians have lost confidence in Parliament and in parliamentarians is that they see these kinds of gimmicks going on in the House of Commons where one party is attempting to get revenge on another party for a slight that it experienced eight to ten years ago.

Canadians do not want to see that kind of thing. They want to see the substance of their concerns discussed on the floor of Parliament and they want to see something done about their concerns. It is unfortunate that in his opening speech the proposer of this motion did not get down to the substance of the things that people in Canada are concerned about.

There is no question that in terms of managing the economy for the benefit of all Canadians, the current government in office has been a massive failure. There were promises made when it came to office in 1984: the promise of jobs, jobs, jobs made by the current Prime Minister; the promise to reduce the national debt and to eliminate the national deficit; the promise through privatization and deregulation to improve transportation, communications and even that old Conservative whipping boy, the post office.

There was the promise of tax fairness and the promise of the government and the Prime Minister to create a government of national reconciliation. When you look at these promises and at the promise made by the Conservatives to protect social programs as a sacred trust of this nation, you have to, as every Canadian has done, measure the Tories against the promises and against their own standard which they established in 1984. Every Canadian has to judge that this government has been a massive failure even when judged against its own standards of performance.

It is not necessarily a failure of unprecedented proportions. I would like to draw attention to some of the comparisons that should be made between the Tories and the Liberals. When you measure the performance of the Tories in office against the performance of the Liberals in office, you find that in terms of failure they come to an absolute dead heat.

We like to talk about the Liberals as a party that talks like New Democrats in opposition and acts like Tories in office. It is reminiscent of Tommy Douglas' old stories about the white cats and the black cats in mouseland. It does not matter which colour of cat is in office at any particular time, it is still bad for the mice and basically that is the situation we are facing.

If the point of this resolution is to call an election so that we can switch the black cats with the white cats, what is the point in any case? It is going to be just as bad for Canadians in the short term and just as bad for Canadians in the long run. What we need is a new way of approaching government in this country and a new kind of leadership. We need a new style of leadership in this country and that style of leadership does not seem to be coming from either the Tory government on that side or from the Liberal government on that side.

That leaves a pretty good option, the leadership potential of the member for Yukon, the leader of the New Democratic Party. If an election were going to bring about that eventuality, Canadians would be very hopeful about the outcome of an election. You would see some changes in this country that would really serve the interests of the people of Canada, rather than dealing with the motivation of revenge between the two parties that have currently switched back and forth between office over the last several decades, the last century of the history of this country.

If that were the outcome of the election, Canadians would have some hope for the future.

When I hear the Minister of Finance speaking in this House and answering every single question from this side with the statement that everything is going along okay and using the term "the fundamentals are in order", it is pretty clear to me that either the minister is out of touch with the fundamentals or his definition of what the fundamentals are varies to a great degree as to what the fundamentals are for those many Canadians out there. He is also fond of quoting, as the member for Calgary Southwest did in her presentation to the House,

the United Nations study which shows that in terms of quality of life for the last couple of years.

Canada has led all the other nations of the world, including some of the other industrialized nations. It is obvious the member has not read the study too closely. Maybe she read the prepared package that the Conservative speechwriters gave to her. When the studies that the United Nations have done are broken down, when the figures are pulled apart, and you look at the quality of life in Canada from the point of view of women, then Canada falls to rank 17th in terms of the quality of life for women in Canada.

I certainly would be interested if the aggregates were broken down so that unemployed people, people in the poorer socio-economic levels of society, were also given an opportunity to see where they stand with respect to other countries in the world. They would fall far below 17th in the world and fall well below what is experienced in what we call Third World countries in dealing with poverty.

I wish the Conservative government would be a little more honest when it is dealing with the United Nations study because it is not all of one piece. The stuff they leave out is probably more important to Canadians because it shows, at least from the point of view of women, that Canada is not number one, that we fall to 15th or 17th in the world, and that we are led by most of the other industrialized countries who value women a lot more than we appear to value women in Canada.

The statement that the fundamentals are in order also ignores the fact of what Canadians are experiencing. Take the example of unemployment. In my riding, thousands of loggers and forest industry workers have lost their jobs over the years since 1982. For those people the fundamentals are not in order.

As a result of mismanagement of the forest industry, as a result of the harsh programs being brought in by this government, as a result of the harsh programs in downsizing being brought about by corporations operating in the forest industry, and as a result of the very conservative management approach that is being taken by those forest companies, thousands of people in my own community have seen their jobs disappear, and any hope or potential for employment has disappeared as well.

The same thing is being duplicated all across this country. I look at the experience of the provinces of Ontario and Quebec, where according to the Canadian Manufacturers' Association, which understates the case in terms of the loss of manufacturing jobs in this country, 350,000 jobs have been lost in the manufacturing sector; 63,000 of those in Quebec.

What kind of devastation is present in the economy of those two provinces, largely as a result of the economic and trade policies of the Conservative government? Many of these people have no jobs to turn to because of the damage done by the Conservatives to the economy.

Many of them made good wages in the past, have spent a lifetime building up assets, building up homes, creating the possibility of education for their families, vacations for their families, and yet for many of them those assets have been wiped out in a stroke by the bad economic management of this Conservative government, bad economic policies, and bad trade policies.

The cold, hard statistics of inflation, of trade balances and that kind of thing, do not take into account the desperation that these people feel when they are faced with the prospect of no new employment and in fact do not even know which way to turn.

Families are breaking up, assets are being lost, lives are being disrupted and destroyed, and all as a result of the Conservative economic and trade policies. When the minister says that the fundamentals are in order and that Canada enjoys the highest quality of life according to the United Nations studies, she is ignoring the many people who are included in the aggregate figures. Their life experiences are very much different from the experience of the people who are benefiting from Conservative economic policies.

• (1250)

Conservative members talk about the government having dealt with the debt problem. I am astounded they could suggest that that might be happening. The net debt when the Conservative government took over in 1984 was about $160 billion. That was a heavy debt, something that needed to be dealt with. The Conservatives have run up that debt to well over $450 billion. It has far more than doubled. It has almost tripled and they cannot blame the Liberals any more for the problems of the debt.

This problem is being caused by Tory mismanagement of the economy. Every time hundreds of people are laid

off, every time a corporation is privatized that ends up going belly-up, every time the size of the civil service is cut back, those people do not end up in jobs in the private sector because the private sector has been killed off as well. As a result those people end up on the unemployment list and on the welfare list. They become a negative draw on the economy. They take welfare. They take unemployment insurance and they contribute to the rising deficit of the government and the rising debt of the government.

That is the member's responsibility. That is the government's fault. It has mismanaged the economy and that is the reason why the debt is increasing. The Tories cannot look back 10 years any more and blame the Liberals for that problem. It is their problem and it is because of their ill-timed, ill-conceived policies that we are in the position we are now where we are facing a debt of almost $450 billion.

That does not mean that the Liberals were any better than the present government. As far as I am concerned and as far as the people of Canada are concerned they are both in a dead heat, a plague on both their houses.

When the Liberals were in office from 1979 or 1980 through to 1984 they doubled the debt even in that short stretch of four years by adopting Tory policies. That is why I say the Liberals sound like New Democrats in opposition but they act like Tories in office. People in Canada are saying a plague on both their houses. They have both given a bad name to politics and a bad name to democratic government in this country.

Some people have said that the conflict between the Liberals and Tories that we see in this motion, this gimmicky motion that the Liberals have reached back almost 10 years to dig out of *Hansard* in order to get their revenge against the Tory policy, is a bit of a cola war like the war between Pepsi and Coca-Cola.

I will tell the member and the gentleman who is here from the Liberal Party, that many people across Canada are saying, "What's the diff?" What is the difference if a Liberal government is in office or a Tory government is in office? They bring down the same policies which are of no benefit whatsoever for ordinary Canadian citizens.

I look at the debate going on now about transportation and the crisis that the two national airlines find themselves in largely as a result of deregulation and the hands-off transportation policies being taken by both the Liberal government and the Tory government.

It was actually the Liberal transportation minister back in the 1980s who brought in the deregulation policy in spite of warnings from the other parties that this kind of deregulation policy would not work in Canada, that it would kill the two competing airline systems. They were told it would create thousands of job losses, but for ideological reasons the Liberals went ahead with the program and the Tories completed it because there is no difference between a Tory and a Liberal in office.

The Tories followed up the program to the maximum ideological extent and, as a result, the airlines today are facing the kind of crisis that we are in. We see the threat of tens of thousands of jobs being lost in the Canadian airline industry. In fact we are looking at two airlines that at one time, before the the Liberals and the Tories got their monkey wrench into the system, were considered to be among the best performing airlines on the face of the earth. Now look what we have got as a result of Liberal and Tory mismanagement. The same thing applies to the railway system.

In particular, I look at social programs because of the news that came out yesterday about the fact that one million children are still living in poverty in this country. How can we see a gimmicky kind of motion without any substance being presented to the House of Commons by the Liberal Party? Why do we not hear about their proposals to deal with those one million children currently living in poverty?

As far as I am concerned we have two parties here who are fighting over which snouts end up in the trough. As was pointed out when the election expenses information came down, they are both corporate-financed political parties. They belong to and are intertwined with the system of one dollar, one vote while the rest of the people in Canada are in the system of one person, one vote, the democratic system.

People across Canada are now saying: A plague on both your houses. None of you have done anything worth while for Canada. They want to get rid of both of you. The sooner that happens the better it is going to be for Canadians.

There is a political party that represents that one person one vote system, that democratic system that Canadians are so proud of and want to see implemented in the House of Commons, not the old boy network, not the corporate sponsored political party system that we

have with the Liberals and Tories. They want to see people who represent all Canadians.

If an election results from this motion, if the government decides, as it should, to step out of government and call an election, the Canadian people are going to give it some thought. They are going to compare the Liberals to the Conservatives. We are going to provide a bit of that comparison so that they will have accurate information. People will see there is absolutely no difference between the black cats and the white cats, between one corporate sponsored party and another corporate financed party, that their policies are all the same and that they have been deleterious to the people of Canada. They are going to kick them all out and put in a government that represents the democratic system in Canada, that represents a bottom-up approach to politics where the people count rather than those at the $500 a plate dinner.

We intend to support this motion. We would like to see the government kicked out. We do not think that they have any ideas that are beneficial to Canadians. In fact we see in the headlines that the Prime Minister is making speeches at $500 a plate dinners announcing programs that are designed not for the people of Canada but, as the headlines in *The Globe and Mail* state: "Move to be announced December 2 will be designed to rebuild Tory fortunes". The last thing the people of Canada want is any kind of system to rebuild the Tory fortunes.

Canadians want to see the Tories out of there as soon as possible because the damage they can do in the last year of their term is so great, given the damage that they have done in the first seven or eight years, that they want to see them out altogether. Their main concern is that they may substitute the other Tory political party, the Liberals.

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, I listened with great attention to the diatribe of the hon. member. He is asking the Canadian people to vote for the NDP which enjoys the support of 14 per cent of Canadians.

An hon. member: Six per cent in Quebec.

Mr. Boudria: Six per cent in Quebec. That does not form a strong government.

[*Translation*]

That does not have much hope. With only 6 per cent of declared voters, it is rather difficult to get any candidate elected.

[*English*]

The member was saying that the New Democratic Party is very democratic. I wonder if that means he dissociates himself from the NDP Government of Ontario's labour laws. For instance, in this great spirit of democracy the member is talking about, under its new labour legislation there will be votes to unionize shops and those votes will not have to be taken by secret ballot. Is that his concept of democracy? It is not mine. I do not even think it is the concept of democracy of some of the members across the way, although they can speak for themselves.

• (1300)

He was speaking of the good quality of government. Is he saying that the NDP at the federal level could do for Canada what Bob Rae has done for Ontario? If that is the case, as we say in my riding, *non merci*. I do not think that is the kind of situation we would want where under the provincial New Democrats in Ontario these so-called socialists are cutting social programs and closing down hospital beds. Can you imagine socialists closing down hospital beds? That is what we are seeing in the province of Ontario.

My question to the member is: Does his party at the federal level want to shut down hospital beds as well, just as the Ontario government does?

Mr. Skelly (Comox—Alberni): Madam Speaker, I would like to thank the member for his question. He mentioned the labour laws in Ontario and whether those labour laws are democratic. I can tell the member many people in Ontario feel that those labour laws are a heck of a lot better than the labour laws which persisted in Ontario up to the time the New Democratic Party was elected.

In fact, the labour laws in British Columbia have been brought in, in a similar vein. For example, there is a provision in the British Columbia labour law to eliminate the very kind of scab labour that the member for Western Arctic was complaining about in terms of the Giant mine dispute which resulted in a tremendous amount of violence taking place on the picket line at the Giant mine.

Anti-scab legislation will soon be in effect in Ontario, British Columbia and Quebec. As a result, in those provinces we are going to see a reduction in picket line violence. Hopefully, before the federal Minister of Labour leaves office he will adopt similar anti-scab legislation because I cannot see the possibility of the Liberals doing that when they take office, if that is the member's concern about the labour legislation in Ontario.

I think what the member is concerned about is that great strides have been taken in labour legislation in Ontario for the first time after many, many years of Liberal and Tory government. It is now catching up to some of the western provinces like Saskatchewan and British Columbia and in some areas catching up to more rational labour legislation in Quebec.

I am very proud of what has been done in terms of the progress made in labour legislation in those provinces. I hope the member will take a closer look at them before he asks his questions.

With respect to closing hospital beds, I think the member will understand that there is a new direction taking place in health care. In part it is being forced upon provinces by cutbacks in transfer programs and EPF funding and in some of the wealthier provinces like Ontario, Alberta and Quebec, through cutbacks in Canada Assistance Plan funding.

I have talked to ministers of finance and ministers of health from those provinces who are forced into extremely difficult positions in terms of dealing with health care because the federal government is constantly cutting back on those transfer payments. In fact, that process started when the Liberals were in office and that pressure was put on provinces prior to the Conservative government coming into office in 1984. Therefore, the Liberals have nothing to be proud about in terms of the cutbacks in transfer payments to fund hospital and health care in the provinces. That is the real reason for the cutback in hospital beds.

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I want to say to my colleague from Comox—Alberni that he did add substance to the debate. I thank him for that. He discussed issues dealing with the economy and social affairs of this nation and I think that is what this House should be all about. I have to say that while he outlined certain philosophies he believes in, I do not agree with him but that is fair ball.

I do want to ask him questions regarding jobs and employment. He is right. This is a major area, because we have to give those people the tools to go and get the work so they can get off welfare or UI and create revenue. We have already allocated some $3.2 billion to retrain people on UI. It seems to me that the hon. member voted against changes regarding the UI bill we brought in about a year or a year and a half ago.

The hon. member also said that he was very much against the free trade agreement. I understand his philosophies. But we are an exporting nation and if the rest of the world is moving into trading blocs, such as Europe and the Pacific Rim, we cannot stick our heads in the sand. We either get out there and compete and beat, or we are not going to maintain our standard of living. The same is true for NAFTA.

The hon. member mentions that he does not agree with privatization. I happen to agree. But the question comes down to this: How are we going to raise revenues? We cannot tax the people any more. What we have to do is cut expenditures and maybe reallocate.

I would like to hear the hon. member's ideas and the substance of his concerns on how we could reallocate funds to help those people really in need.

Mr. Skelly (Comox—Alberni): I would like to thank the member for the question. Over the years in this House, in this Parliament, our party has put forward a number of proposals that would first of all generate revenues. Those proposals would also distribute revenues more fairly so that they would not all be taken off the backs of the lower and middle income workers and all the credits would not go to people at the high end of the income

scale in the way that the Conservative tax policy has been structured.

If the member reads taxation statistics, she will know that the last eight years under Tory rule have been a tremendous boon to those at the high end of the income scale. They have actually had a tax reduction. As a result, the people at the lower and middle class end of the income scale have had to pay for that largesse. So, as we have proposed in this House, we would like to see a mechanism for redistributing the burden.

In her initial presentation the member talked about getting all Canadians to work together. I think the Prime Minister started off on the right track when he talked about a government of national reconciliation. When he was first elected it will be recalled that he brought Bob Hawke, the Prime Minister of Australia, up here. He brought workers and corporate and public representatives to Ottawa for a meeting to find out how the people of Canada in the various sectors could pull together. It collapsed, because the Prime Minister himself did not seem to have a commitment to it.

I recall when we were talking about the problems we had in shipping wheat through west coast ports that were on strike, the Prime Minister stood up and said: "Well, you talk to your friends in labour to see if they can stop the strike". I will tell the hon. member what the problem is. If the government by that kind of statement is admitting it has no friends in labour, then it has no opportunity to set up a government of national consensus. It has no opportunity to get a government of reconciliation that—

The Acting Speaker (Mr. Paproski): The hon. member's time has expired. Questions and comments have been terminated. On debate the hon. member for Saint-Léonard. I believe you are splitting your time with the hon. member for Nepean.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, I just want to confirm that I will share my speaking time with the hon. member for Nepean.

The subject of debate on this opposition day is the motion of the hon. member for Glengarry—Prescott—Russell, which reads as follows:

> That, in the opinion of this House, the government is incapable of providing leadership and direction in the economic and social affairs of the nation and has lost the confidence of this House and of the Canadian people and that, therefore, an election should be called forthwith, in accordance with the Canadian custom, practice and tradition of holding a general election at least every four years.

• (1310)

What does this motion say? First of all, it states that in accordance with tradition, an election should be called every four years. In fact the hon. member for Glengarry—Prescott-Russell was inspired by the very motion moved by the present Prime Minister, then Leader of the Opposition, in the House on December 9, 1983. Today, after eight years of government we have every kind of problem you can think of, and the country is in a crisis. Eight or nine years ago, the present Prime Minister believed it was important to have an election every four years and made it quite clear it was a Canadian tradition, and repeated this during the 1988 election campaign.

On October 24, 1992, and I am quoting from an interview with the *Journal de Montréal*, the Prime Minister said: "We are one year away from an election, and we will have time to discuss it". This is one more promise he does not intend to keep. He now believes the government should be able to stay for up to five years. What did the Prime Minister say on December 9, 1983 about governments staying longer than five years? He said: "Sure, some governments might decide to stay for more than four years, but it just means they are tired. It means they are bankrupt". This is what is happening to a government that has lost the confidence of the Canadian people. Not just in one region of this country but in all regions. Just look at the latest polls.

Since I am sharing my speaking time with the hon. member from Nepean, I would like to use the few minutes I have left to talk mostly about my own region, the Montreal region, which is in very bad shape. I remember we used to have a slogan in Montreal: Montreal equals pride, Montreal equals city. Today it is the unemployment capital and the bankruptcy capital. Montreal is no longer Canada's metropolis. Montreal is truly at risk. Since January 1992 we have been suggesting that. The government keeps telling us that the opposi-

tion only criticizes. It is easy to criticize, but if you have ideas, let us know and tell us about them. We suggested a short-term action plan in January 1992, ten months ago, with a very vital component. I am referring to an infrastructure program that would have made it possible to kick-start the economy and put Canadians and especially the people of Montreal back to work, because in Montreal construction has always been the bell wether industry. It always took the lead and the rest followed. The construction industry was always there to kick-start the economy and had, in the process, created thousands of jobs, and we had projects that enhanced the environment and the quality of life in our region and our city.

Let us look at the situation in Montreal. In October 1991 Montreal had an unemployment rate of 11.5 per cent or 186,000 people out of work. Today, a year later, the rate is 12.8 per cent or 204,000 people without work.

In the construction industry alone, the engine, a key economic sector, the unemployment rate is nearly 50 per cent. I am not the one saying that. It is the Quebec construction industry commission, the organization that manages all the regulations of the Quebec construction industry for both employees and management. Poverty in Montreal: a little over 615,000 people or 21.5 per cent of the total population of the metropolitan area live in poor households. More than 70 per cent of these poor people live on the island of Montreal and 50 per cent in the city of Montreal itself. In the city of Montreal, which has a million inhabitants, one family in four and one out of two single people are on low income. That is the sad situation of Montreal.

In Montreal alone the food banks distribute 12 tonnes of food a day, enough to fill the Olympic Stadium field to a height of eight feet ten times a year. I am not the one saying that. It was in *Le Soleil* on March 25, 1992.

Half the adults in Montreal do not work, according to an unpublished document of the Quebec Department of Labour and Income Security. I am not the one saying that; it was in *La Presse* on February 29, 1992.

The employment level in the cities of Montreal and Laval is 54.6 per cent. A dynamic city usually has an employment level of around 70 per cent outside recession periods.

That is the picture of Montreal. That in broad strokes is how the newspapers describe Montreal.

The occupancy rate for office buildings is lower in Montreal than in the rest of Canada. That was in *Le Devoir* on November 10, 1992. *La Presse* of November 10, 1992 reports that home building dropped 11 per cent in October. An 11 per cent drop in just one month. How does one revive the economy when the government tries to tell us that things are moving now and starting to go well?

Poverty among families and children is getting worse in Canada, according to the Campaign 2000 report.

People pay $1,900 more in taxes under the Conservatives. Middle income families have borne the brunt of tax increases since 1984, according to one study. This is not just what opposition critics say; the figures and studies are there.

Despite all that, in addition to raising taxes, the government has also increased all service costs. The other day I had a sickening experience. In my riding office I received an old man who wanted to bring his nephew to Canada because he was old and needed some family member near him. He was told by the immigration bureau that he first had to pay $450 for a sponsorship application, although this service was free before.

We could talk about taxes and charges for immigration, citizenship and passports. If you want a small booklet or folder from the Federal Business Development Bank you have to pay for it.

Despite all that, again this morning, the $34.6 billion federal deficit exceeds the government's objectives, since the minister in his last budget told us that it would be about $27 billion. The deficit is now $35 billion, in spite of all the tax increases.

I see that my time is nearly up.

• (1320)

It is clear. My colleague had to move a motion because it will be four years tomorrow. Since this government was elected and it is now time to have an election so that

Canadians can change this government and hope to have a better life, as the Americans just did south of our border.

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Mr. Speaker, last night in this House I had the opportunity to provide answers to some of the concerns of the hon. member for Saint-Léonard regarding the economy of Montreal. I find it particularly hard to take that in all his statements, he never said anything positive about the economy of Montreal and the dynamism of its people.

Through my involvement with the Quebec Chamber of Commerce, I have had the opportunity in the last several years to meet the business community of Montreal and to work closely with many of those involved in that region, and I can tell you that the people of Montreal and the participants in the economic, social and political life of that region are extremely dynamic. Through their efforts, they were able to make up for the losses incurred in certain traditional sectors, which were doomed in any case. Some industries were going to disappear but the business people and successive municipal governments in Montreal have worked hard, to strengthen the aeronautics, high technology, pharmaceutical and research and development sectors. For instance, we can think of Bombardier, which is an extremely dynamic company, run and controlled by Montrealers.

One must recognize that Montreal remains a strategic location on the St. Lawrence Seaway. Montreal is still at the crossroads of the major airlines of the world. Since 1984, our government has supported all the efforts to stimulate the economy of Montreal and to maintain a strong economic activity in that city. Our government has also supported the efforts made by these involved in Montreal's economy.

I tend to believe that the negative aspects in the Montreal region are much more the result of short-sighted policies implemented by the previous federal government and the government of the Parti Quebecois. Could the hon. member for Saint-Léonard tell us at some point if he sees anything positive about the situation in Montreal?

Mr. Gagliano: Mr. Speaker, last night my colleague and I had a little discussion on that issue. I deplored the situation, as I just did again, because for a year now, I have been asking questions in the House about the bad situation that prevails in Montreal.

Yet, last night and again today, my colleague talked about the aeronautic industry. Indeed, there have been some small investments here and there. We know that the aeronautic industry is very important for Montreal. But when Montrealers look at what is going on today in that field with our two air lines, they get very worried. What does the governmente do? It was aware of the problems, which have existed for two years. The government drags its feet.

As for pharmaceuticals, I agree that this sector has attracted investments and created hundreds of jobs. But the problem still remains. The unemployment rate in Montreal is now over 17 per cent. Therefore I cannot talk about anything else. This unemployment rate of 17 per cent is for the east end of Montreal. In my area, it is as high as 25 per cent. This situation is unbearable.

The hon. member says that the government has always supported those who have wanted to launch projects. In Montreal we had the PAREL program which was very important for the city of Montreal. It provided for the renovation of houses and gave work to the construction industry. This government eliminated the program.

The mayors of Montreal and of several suburbs support our request for the implementation of an infrastructure program because it would provide work for just about everybody, not only skilled workers. That is what we need. This is why I say that the government should heed the requests made by every group and sector of our society for the immediate implementation of an infrastructure program to stimulate the economy and put Canadians back to work.

[*English*]

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, I am very pleased to stand in this House and speak to the motion which reads:

> That, in the opinion of this House, the government is incapable of providing leadership and direction in the economic and social affairs of the nation and has lost the confidence of this House and of the Canadian people and that, therefore, an election should be called forthwith, in accordance with the Canadian custom, practice and tradition of holding a general election at least every four years.

This motion was put forward by my esteemed colleague for Glengarry—Prescott—Russell. It is most important and very serious.

In 1983 the current Prime Minister stood in this House and declared: "The government should honour the fundamental British tradition in this country which calls for an election, not in five years, but within four years, so that people can judge the action of the government".

I whole-heartedly agree with the Prime Minister in his comments. I also must congratulate him for sticking to his principles the first four years of his mandate as Prime Minister of this country. He launched the 1988 election by declaring: "It has been a Canadian tradition to call an election after a government has completed four years of a mandate".

One would expect any principled individual to do the same thing four years later, but unfortunately this same Prime Minister has decided that there are things greater than principle. Even more unfortunately we have seen this Prime Minister and his Conservative colleagues cast aside principle on too many occasions over the past eight years.

The latest polls show the popularity of this government at only 22 per cent. I would like to take the time today to outline some of the things which have caused Canadians to lose confidence in this government.

First and foremost is the economy. It has been totally mismanaged by this Conservative government. The inaugural issue of *Canadian Business Economics* reports that tax increases since 1984 have been historically unprecedented in magnitude. The increase in the tax burden in Canada was by far the largest among the G-7 countries of the world.

Taxes on the household sector in this country saw an increase of 6.7 per cent of gross domestic product between 1984 and 1991. Comparatively in the United States, the increase was only 1.3 per cent. Furthermore the additional tax burden borne by the average Canadian family will be an increase of $1,894 in 1992.

It is well recognized that the major challenge facing Canada today is that we must become more competitive in today's interdependent and highly competitive global economy. However, some serious disturbing signs of Canadian competitiveness and our weaknesses have emerged over the last 10 years. Specifically, in relation to our major international competitors, growth in our manufacturing productivity and technology performance—two key indicators of competitiveness—has been quite poor. Our ability to compete in today's changing world economy is being eroded, not the least by the amount of the national debt that Canadians are financing.

Canada's merchandise trade surplus has fallen from $19.8 billion in 1984 to $11 billion in 1991. Canada's current account balance has gone from a $2 billion surplus in 1984 to a deficit of $27 billion in 1991.

Canada's share of world trade slipped from 5 per cent in 1979 to 4 per cent in 1989. Canada only has 2.6 per cent of the world share of trade in high technology products, compared with 3.5 per cent in 1971. Canada's labour productivity has grown only 1.8 per cent between 1979 and 1989, compared with 5.5 per cent in Japan and 3.2 per cent in the United States. Canada has lost over 200,000 manufacturing jobs over the past 30 months, and most of those jobs were here in the province of Ontario.

• (1330)

In order to meet the demands of globalization, some important restructuring in industrial economies is necessary. Unfortunately the government has not taken any steps to meet these demands.

Canada needs a policy which both acknowledges economic change and which helps Canadians adapt to these changes. Recognizing the link between free markets and government is one step toward accomplishing this goal.

Liberals advocate a global trade policy driven by Canada's strategic trade priorities which reduces our dependence on the United States and which would endeavour to make Canada the first global outward oriented economy on the continent.

Liberals recognize that trade policy must be closely associated with domestic policy. Monetary fiscal investment, training, education and research policies must be linked together with our trade policy. The Conservative government has failed to recognize this need. It has also failed to recognize the need to rethink attitudes toward issues such as education and training, research and

development, interprovincial trade barriers and labour management relations.

The Conservative government has failed to realize that education, research and environmental policies are the building blocks of economic growth. These failures have caused serious problems for Canadians from coast to coast.

The current Prime Minister of Canada told this House in 1983: "It does happen that a government sits too long. It does become exhausted and it does become bankrupt of ideas".

I think Canadians everywhere recognize the truth of those words. This Conservative government has lost the confidence of the Canadian people. An election should be called. Canadians have suffered enough.

[*Translation*]

Mrs. Gabrielle Bertrand (Brome—Missisquoi): Mr. Speaker, I was glad that my colleague started her speech by reading the motion before us today, and I will do the same because I want the Canadian people to know exactly what we are dealing with today.

The motion reads:

> That, in the opinion of this House, the government is incapable of providing leadership and direction in the economic and social affairs of the nation—

The opposition has been clamouring for elections. When you call for elections to be held, you do so because you intend to campaign and win and eventually come to power. God forbid this political formation was to come to power with the same leader today.

Twice in the past this leader had the opportunity to put goverment finance in order. Each time—and I think that many share this view—he failed. Let me give you a couple of examples. The Leader of the Opposition was the President of Treasury Board from 1974 to 1976. Normally, the role of Treasury Board is to veto the expenditures the various departments are planning. However, government expenditures increased by 16.3 per cent in 1975–76 and 14.6 per cent in 1976–77. Within two years this Leader of the Opposition who aspires to become Prime Minister of Canada authorized the following increases in expenditures: a 34 per cent increase in salary and wages; 18 per cent in communication and transportation expenses; 43 per cent in government rent expenses; 53 per cent in expenses associated with machinery and equipment, and, finally, 38 per cent for professional and special services.

That is not all. Later on, the Leader of the Opposition became Minister of Finance from 1977 to 1979. During 1978–79 expenditures went up 10.3 per cent and for 1978–79 the defict grew because of an increase of the national debt in excess of 50 per cent within two years.

As you can see, Mr. Speaker, this parliamentarian, this Leader of the Opposition, likes to spend and to borrow. In this House he has opposed just about every expenditure restraint measure put forward by this government, while requesting additional financing for a slew of programs and other expenditures.

The prospect of this political formation coming to power worries me. I would like to ask the hon. member if the Canadian people can afford such a leader in terms of the management of government finance?

[*English*]

Mrs. Gaffney: Mr. Speaker, I thank the hon. member on the opposite side of the House for her comments.

It never ceases to amaze me that we have had a government in power for eight years that cannot resist speaking on records of previous governments and will not address its own record as the government of this country.

Since the previous speaker raised the issue of what the Liberals have done in the past, I would like to talk also about that. Under previous Liberal governments, the people of this country had prosperity. The finest social programs in this country were implemented under previous Liberal governments.

Our medicare system was initiated by a Liberal government. We have our old age security pensions, thanks to Liberal governments. We have our social safety net program, thanks to previous Liberal governments. We had the highest standard of living that we have ever had in this country under previous Liberal governments.

I do not believe that any Liberal government of the past has anything to be ashamed of. We can hold our head high. We can be proud.

Under this present government we have had the biggest tax increases in history. From the period 1984 to 1988, this country had the largest increase in revenue in history. What did the government do with it? It blew it.

I circulated just recently a questionnaire on the economy in the constituency of Nepean. Questionnaire after questionnaire was returned to me. People are anxious, people are cynical about this government. They have had tax increases that they cannot carry. They have their young people that they can no longer educate. Our young people cannot get jobs. This government does not have one thing to hold its head up high about.

The Acting Speaker (Mr. Paproski): I regret the hon. member's time has expired. Questions and comments are now terminated.

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, it is an interesting debate today.

I want to talk specifically on the motion put forward today that calls for an election and holding the Prime Minister to statements that he made from time to time when he was in opposition. Not a whole lot has changed. I guess that is the role that we play when we are in opposition, reminding government of some of the things that it said when it was in opposition.

We know and you know it is constitutionally set out that we have elections every five years in this country and we are going to have another one. There is no question about it. I guess if I were a member of the Liberal Party I would be calling for an election.

Some hon. members: Now, now.

Mr. Thompson: They are saying "now, now". It is coming, as the Prime Minister has noted. If I were leading in the polls, I would certainly want an election now as well.

The reason the election is not going to happen now is simply because the support that they are receiving now is rather shallowly rooted.

• (1340)

There are reasons for that. Obviously one of the reasons the support is going to other parties than ours is simply because of the tough times we are going through. No one questions that. We are going through some pretty tough times.

I want to point to an election south of the border in the last couple of weeks in the United States of America. What did they do? We know what they did. They turfed out the incumbent president, did they not? They turfed him out for a number of reasons. They were not satisfied with what was happening. We can understand that because that is how it works.

The point to be made is that if we had an election today, the very same thing could happen. In the U.S. there were signs that the American economy was starting to pick up. In fact the U.S. had six consecutive months of growth in their economy. We can argue that it was not strong enough and we will all accept that. Obviously the American people did not think that it was strong enough.

I wish to point something out in the November 16 edition of *Business Week*. There is a weekly article called "Business Outlook". I just want to read from that because I think it puts it in perspective. "The sign in President-elect Bill Clinton's campaign's headquarters in Little Rock says it all. It is the economy, stupid". That note kept Clinton's election bid focused on the key issue, which he rode all the way to the White House.

No mistake there. He did the right thing. I do not blame him. I would do the same thing if I were running for office there. After the election they say: "Now comes the hard part. What makes the President-elect's task unusually difficult is the long-term nature of many of the economy's problems and Washington's diminished power to do anything about them. The limitations placed on both fiscal and monetary policy by record federal deficits and other structural impediments only complicate the job at finding solutions that everyone can live with, especially the financial markets".

That is not unlike some of our problems. The previous speaker from Nepean focused on the debt and I will have to step through that as well. The world is locked into some pretty tough economic times. The U.S. obviously is and Canada obviously is. We are a product of many, many years of mismanagement. It would be unfair for me to blame just the previous Liberal government. It is easy for me to say that because most of them over there will admit that they made mistakes. All governments in the western world in the last 25 to 30 years have all

developed this mentality that we can live off our credit and that we really do not have to pay the bills.

The day of reckoning is here. That day of reckoning actually started in 1984 for us when we took office. What happened in 1984 when we took office was simply this. As members on the front bench admitted in 1984, they had left the cupboard bare. There was no money anywhere. They thought that we would have such a tough time governing and have to face such tough music that we would never get re-elected. They took great delight in that. That happened to be the way it was.

The problem was on that $200 billion debt that we inherited, we did not have the cash to pay interest on it. We had a structural deficit, a yearly deficit that added to the problem. What we were doing was to borrow money to buy the groceries. What has happened between 1984 and 1992, a period of eight years, is that that debt has compounded. The interest on that debt is compounded. Anyone knows that if you put money in the bank at 12 per cent interest for six years your principal will double with compounded interest. That is the way it works.

Unfortunately it operates the reverse when you owe money. Now we have an accumulated debt of over $400 billion and we do not like it. Nobody likes it. Folks over there do not like it either. The point that I am making in reference to the U.S. is simply this. No matter who takes office tomorrow morning if we did have an election, we are facing the reality of some pretty tough music, as Bill Clinton is facing in the United States.

I wish Mr. Clinton the best of luck for a lot of reasons. He deserves the job, he worked hard for it, he had a flawless campaign and there is no question about it. It is argued in the States that the president squandered his popularity, that he should have dealt with the tough issues when his popularity was very high. The American people probably would have accepted that. He did not do it.

I hope the American economy does grow because it is a great trading partner of ours and it just happens to be one of the reasons why our position internationally is not worse than it is. The statistics prove that our trade relations with the United States and the free trade agreement are working in our favour.

This year our trade surplus with the United States will be at an all-time historical high. It should come in in our favour, that is, with a surplus of $19 billion to $20 billion. It is working. Therefore, we cannot allow ourselves to fall into that flawed logic that the opposition sometimes throws at us. It is working well.

If the American economy can pick up some speed and continue to grow, it should pay dividends to us as Canadians. After all, the U.S. is our biggest trading partner. We wish it the best of luck and Mr. Clinton too. We hope the U.S. can proceed down the road to economic recovery.

I want to compare as well today before I sit down our record with the record across the floor. Ten years ago today, Mr. Speaker, you were sitting here and I was not. At that time unemployment in this country was 13 per cent. Interest rates were at 22 per cent. I remember those because I was working in the car business and I had to scratch and work pretty hard to make a living.

Inflation peaked at that period at 13 per cent. I want to compare those three statistics with what is happening today in Canada. We do not take much pride in this, but unemployment today is 11.3 per cent, which is less than it was 10 years ago. We are coming out of it. We can talk a little bit about the increase in employment rolls today as well.

Interest rates today even after yesterday's big increase are at 9 per cent. The prime rate is 9 per cent. Ten years ago it was at 22 per cent. Inflation 10 years ago was 13 per cent and today it is 1.3 per cent.

What is happening is that we do have the fundamentals there. They are there and if the world economy can move out of the recession, the western world particularly, we are positioned to do very well.

I have last week's *The Economist*. It has charts in here and it is important that we look at these from time to time because when they rail against what we are doing as a government, they fail to recognize what we are doing in relation to the rest of the world, whether it is interest rates or something else.

I know we are taking a lot of heat on the interest rate increase from yesterday. It is remarkable. When you look at the economic and financial indicators that apply to the rest of the world, you will find that we are positioned very well. In terms of prime lending rates, there are only two industrialized nations on the face of the earth that have lower rates than Canada, and that has not always been the case. Those two countries for the sake of interest are Japan and the United States. The United

States is just marginally behind us and that is important to consider.

Let us go back to some of those indicators that I mentioned earlier. When foreign corporations, banking institutions and entrepreneurs take a look at a country and decide where they are going to invest, those are some of the things that they look at. They look particularly at inflation.

• (1350)

Inflation under the previous administration, as I pointed out, is exactly 10 times less today than it was 10 years ago. Canada is open for investment. We are going to continue to get foreign investment in this country because the indicators are there that some of the things that we are doing are starting to work.

Let me go through more of them. Labour productivity in this country rose 3.3 per cent in the first half of this year. It never did that under the previous administration. Labour unit growth decelerated. It went down. It is one of the things that we like to see go down. Labour costs went down. They fell sharply to 1.5 per cent in the first half of 1992 from a high of 8.2 per cent in the first quarter of 1991.

Those are the types of numbers that investors are looking at. Those are the types of things that investors in this country take some satisfaction from. They know that it is not perfect out there, but they know the fundamentals are there. That is important.

One thing that has not happened in 25 or 30 years is that relative to the United States, our big trading partner to the south, unit labour costs in Canada were down almost 5 per cent in the first half of this year, a remarkable statistic. That should be telling all Canadians that we are becoming competitive and the rest of the world is recognizing that. We just need a few breaks along the way to move to where we want to be with those unemployment numbers increasingly declining, going down, moving in the right direction.

In relation to the free trade agreement, I have mentioned some of the numbers and I mentioned the fact that our trade surplus with the United States this year will be the highest in the history of Canada, not lower. Our exports of goods and services have increased by over $15 billion since the FTA was implemented. Canada's share of the total U.S. imports has risen 3 per cent to 20 per cent since 1989. In other words, the total number of goods imported into that country in relation to Canada has increased by 3 per cent, but do not tell anybody that. Do not tell the United States that. If it knew that it would not be too pleased with the statistic.

What does the NDP say about all this? My Liberal friends will get a kick out of this one. What did the leader of the NDP say the other day? She said if they get elected they are going to do a couple of things. The first thing they are going to do is tear up that agreement. They are going to change it. We will not have to worry about her tearing it up or the NDP because it is not going to take office. The fight will be between us and the folks immediately across the Chamber.

I should not blame it on the leader of the NDP because this is party policy, they were all part of this one, but the leader of the NDP is also telling us that if they take office they will abolish the GST. This is most interesting. What they are forgetting is that the GST accounts for about $18 billion worth of revenue.

Again, our friends across the Chamber recognize that. They have basically said there may be some restructuring—they will not tell us what kind of restructuring—but no way can they eliminate it because they are smart enough to know that you cannot forgo $18 billion in revenue.

The folks at the other end of the Chamber, the NDP, have indicated that they will eliminate the GST or that source of revenue, totalling $18 billion. They forgot to tell us what they are going to replace it with. Correction, they did not tell us what they would replace it with, they will not replace it. What they will do is add another $18 billion on to the debt load.

Perhaps they will not. Perhaps what they will do is follow the member for Timmins—Chapleau. He says if we take office do not worry about borrowing money, do not worry about raising money, we will just turn on the printing presses and print more money. That is the other side of their philosophy.

What it brings to mind is an article in *Maclean's* magazine of November 23. The article, *Business Watch*, written by Peter C. Newman, says beware of Marxist philosophy. David Blake called it Marxist philosophy but he alludes to the Marx brothers, Harpo, Groucho, and Chico. They all reside on that end of the Chamber. That is the Marxist philosophy that they follow because you do

not have to be accountable to anyone, make any kind of outrageous promise that you wish, because you will never have to take office, you never will take office, you never have to honour those pledges to the Canadian people.

The people of Canada are not satisfied, I agree with you totally and that is borne out in the statistics in terms of our popularity. I go back to a term heard from time to time in regard to elections. A famous Canadian tells us this one from time to time: "There is nothing like a lynching to focus the mind."

It goes back to what I am referring to, their lead in the polls. What is going to happen when the Canadian people go to the polls is they will sort through all of this. They say things are not good and things are not good in Europe or the U.S. and President-elect Clinton is struggling to make things better in the U.S. What they will figure out is there are no magic answers because if there were magic answers we would wave the wand and everything would be perfect.

We are caught in an economic trap in a sense because government debt load is the highest in recorded history. The private sector debt load, the corporate side, is the highest in the history of the country and consumer debt is the highest in the history of the country. That is pretty well the same in all parts of the world. That is what makes it so difficult for us to get out from underneath this terrible burden.

We can be assured of one thing, one thing that we will not do, and that is we are not going to borrow money to solve the problem because history simply proves that does not work. It simply does not work and we are not going to do it.

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, I was quite interested when the hon. member was talking about the NDP policies. We agree on that. Not all of the blame is to fall on the government's shoulders. The Government of Ontario takes a big part of that blame. There is no question about it. The member is quite right when he talked about the failure of the NDP governments in Ontario and in most of the provinces that have leaders who are NDP. Their policies have failed. We have seen more and more plants closing on a daily basis in those provinces.

I was quite interested when he indicated that the NDP's way out of the recession is by printing more money. That is very interesting and I would like to find out more about that printing machine or that way of reducing the deficit.

I am also quite interested to hear that in Ontario we have the largest ever deficit in the history of the province. I do not know about this next budget but perhaps we will have per capita in Ontario, with an NDP government, the largest deficit anywhere in the western hemisphere.

The reason I am upset about it is that lately the Government of Ontario is embarking on a mission to go after senior citizens who live in government subsidized housing. In addition to the rent that they pay, now the Government of Ontario wants to charge them extra for painting the apartment or for cleaning their windows from the outside.

• (1400)

When a government that always claims to be the friend of the people proceeds with such initiatives and when it starts taking such actions, you and I know the true picture of the NDP government and the true philosophy and policy of the NDP government, which is this: When they are in opposition they say one thing, but when they form the government they say something else. Well, that was the NDP.

In terms of the comment of the hon. member from the government side that we do not have the money so we cannot spend it, I want to share one thing with him. It takes money to make money. If you do not invest in the economy, you are not going to be able to generate revenues. That is why the Liberal policy, as it was communicated by our leader, of investing in an infrastructure is the best way in the short term to activate or kick-start the economy, in order to create jobs, in order to invest in the future, in order to help out Canadians who are struggling to make it.

I do not want to go over the past. I was not around eight or ten years ago in order to defend the track record of this ministry or that ministry. But we have a minister here, the Minister of Transport, who was a co-chair of the national task force on the infrastructure. I recall I was a municipal politician at the time. I read his report. I was pleased that he had supported at that time a call on the government to enact a tri-party agreement whereby the federal government would put in a third, the provin-

cial government would put a third and the municipal government a third toward infrastructure.

I call on the minister to go back to that report and to encourage his colleagues in caucus in order to make sure that an infrastructure program is put in place so we can attack this problem in the short term.

I would like to hear a comment from the hon. member, telling me whether he supports such an initiative that deals with infrastructure proposals.

Mr. Thompson: Mr. Speaker, I do not totally disagree with the suggestion of putting massive amounts of money into infrastructure. I do not think anyone, even on this side of the House, would totally disagree with it. The difficulty obviously is how much is enough, and where do you find the money? That is the problem that I guess we as a government face. It is a tough one.

We use the old term ourselves, even though sometimes we hate to hear it, kick-start the economy. Going back to what I had previously mentioned, that would be fine if our debt load were not as high as it presently is. There is no problem with that. The problem is when you step through all the engines of the economy, if you wish, the private sector—that is the engine—the corporate sector, and you might say the individual sector, all of those things have to be working to make the economy work.

You know there is a very, very high debt level, and that is the problem. How much do you use? In a sense, when you say how much do you use, you are asking how much do you borrow to make it happen.

Here is an interesting statistic. We talk about the time that we took office and what we have for an accumulated debt today. Let us forget about whose fault it is. We will continually blame each other, no matter how long this House sits. Anyway, we all agree that today it is somewhere in the vicinity of $400 billion, give or take a few billion. But let us say it is $400 billion, which it is. Today it consumes about 31 per cent of all revenue, just paying interest on that debt load of $400 billion.

If we had followed on the old course with the spending habits of the previous government, and with due respect not too many of us in this House were in that old government, none of us on this side at least, statistically we would have a debt load now of $900 billion, close to one trillion. There are so many zeros on the end of that one you need a half-ton truck to carry them around with you. We would have a debt load of about $900 billion. This is the important part to remember because it would not be consuming 31 per cent of revenues to service the interest on the debt, it would be taking over 60 per cent of those revenues. Then you have lost control. The International Monetary Fund moves in and governs Canada, if you wish. That is the difficulty.

That goes back to the premise of the member's question. How much do we borrow to throw into the economy to kick-start it? The honest to goodness truth is that I am not sure we can afford to borrow any more. I think we have got to find the money somehow. Personally, I see the solution to the problem as simply this: The international world and the corporate sector do have a fairly high degree of confidence in Canada. The difficulty now is that we do not have confidence in ourselves at the consumer level.

What I see happening in Canada today, and you can blame it on a number of things including, if you wish, our tax structure, is that consumers in Canada are not spending and retail tax revenues are going to be down. My guess is, based on what I see happening, they are going to be down by about 13 per cent. Therefore, the best thing that could happen in Canada would be if consumers started spending. It would generate enough revenue that the government then would have enough movement to do something without borrowing more money.

I think part of the solution to the problem rests with ourselves. When that confidence reaches a certain point and Canadians start spending, I think we will be on the road to recovery because the other fundamentals are there. That is happening south of the border, it is starting to happen here and we hope that it continues to proceed along that way.

Mr. Bob Kilger (Stormont—Dundas): Mr. Speaker, I listened attentively to the previous speaker from the government side. I want to say respectfully to the member from New Brunswick who spoke to the issue of infrastructure that I am sure the people in his region and his province are waiting anxiously for some announcement in the area of infrastructure to address the highways of New Brunswick and equally so across all other provinces of the country. I think that there is some

interest. We welcome that initiative from the government side and look forward to it coming forward as soon as possible.

To the issue of today, I am pleased to rise on the motion brought forward by my colleague from Glengarry—Prescott—Russell. The motion before us today states:

> That, in the opinion of this House, the government is incapable of providing leadership and direction in the economic and social affairs of the nation and has lost the confidence of this House and of the Canadian people and that, therefore, an election should be called forthwith, in accordance with the Canadian custom, practice and tradition of holding a general election at least every four years.

Canadians know that the fourth anniversary of the Conservative government's election occurs this weekend. I do not know that a great number of Canadians will be celebrating and saying "happy Anniversary" and the likes of that. They are aware because over the last four years the people of Canada have suffered considerably under the social and economic mismanagement of the country by the Conservatives.

It is understandably hard for Canadians to forget four years of being taxed to death, of losing their jobs and of the damage they have received from a never-ending recession. The Canadian economy today is in ruins. Over 1.6 million Canadians are out of work while many more have simply given up trying to find a job. The number of welfare recipients across Canada has steadily increased and will continue to do so as more and more businesses and factories close and as those who receive UI have their claims run out without finding any alternative employment. What is even worse, the evidence indicates that child poverty in Canada has reached critical proportions. According to a recent report issued by Campaign 2000, which represents a coalition of national and community social organizations, between 1989 and 1990 the number of children living in poverty increased by more than 170,000 to a total of 1.1 million. This means that one out of six Canadian children lives in poverty.

• (1410)

In addition, the report states that there are 342 food banks in Canada and that two thirds of food baskets go to families with children. In my opinion, these statistics amount to a national disgrace for our country and the government must assume a large part of the responsibility for what has occurred.

The city of Cornwall in my riding of Stormont—Dundas is a clear example of how the federal government has failed to provide the economic leadership and direction required for Canada. Cornwall has suffered considerably as a result of the recession. Like many other cities and towns across Canada that have been hard hit, Cornwall has received nothing from Ottawa that could stimulate an economic recovery.

For over two years my colleagues from Glengarry—Prescott—Russell, Leeds—Grenville, Renfrew—Nipissing—Pembroke and I have asked the government to implement an eastern Ontario economic development program for the region. The government, however, has chosen to ignore the severe economic downturn that has occurred in communities such as Hawkesbury, Pembroke and Cornwall.

Massive lay-offs, plant closures and job losses have failed to convince the government that a need exists for assistance similar to what the government provides through the FEDNOR program for northern Ontario or the Canada—Quebec subsidiary agreement.

The recession, combined with the GST, the fall-out from the Canada-U.S. Free Trade Agreement and the dramatic increase in cross-border shopping, which is itself directly related to the excessive taxes the government has introduced, have all taken their toll on the local economy of Cornwall and other border communities.

Over the past 36 months plant closures have caused over 2,500 jobs to be lost. The unemployment rate in Cornwall is over 20 per cent and the city ranks third in Ontario in the percentage of population on general welfare. Yet, instead of doing something to generate business and investment, the federal government has done virtually nothing.

Given the situation in Cornwall and in other communities across Canada which have suffered similar economic fates, one is truly left wondering how many Canadians have to lose their jobs, how many Canadians have to go on welfare and how many Canadian factories and businesses have to cease operations and close their doors before the government will act.

In its rampant pursuit to control the deficit, the government has plunged the nation into economic chaos. The odd thing about it is that the deficit, let alone the national debt, is hardly being addressed at all. In fact, every time the Minister of Finance has made a forecast

about the amount of the deficit and the government's ability to address it, he has never come close.

Yesterday the government released its budget deficit figure for 1991–92. The final figure of $34.6 billion for the fiscal year ending March 31, 1992 is $4 billion more than the previous fiscal year and is more than $3 billion higher than what was forecast in the federal budget last February.

When the Conservatives first took office in 1984, they inherited a period of reasonable economic growth in Canada. Yet, even with this period to build upon and after introducing well over 30 new or increased taxes which taxed Canadians into oblivion, they have nothing to show for it at the conclusion of their eight–year reign of economic terror. Any other respectable government would be ashamed of itself. Not this one. Its economic philosophy of stay the course has been the same since day one in 1984. It has stayed the course. While the government has remained ideologically sound, it has all but bankrupted the Canadian economy.

It is unconscionable for this government to run ads on national television about how Canada can be competitive in the world and how job retraining programs are providing the impetus for the Canada of tomorrow. Every Canadian knows that we can compete with the best in the world if given the opportunity. Unfortunately it is very hard to be competitive if the federal government itself is incompetent.

It is no secret, as much as the present government would like it to be, that there are not enough funds to meet the demand for job retraining programs.

I recently participated in a rather unpleasant experience in my riding. The local Canada employment office in Cornwall had to inform unemployed workers participating in educational upgrading programs that there were not enough funds left to see them through to graduation. Some of these individuals were finished their first year of courses and were well on their way to learning new skills, to being better qualified and thereby obtaining improved opportunities at re–entering the work force. I can assure you that the "yes we can" slogans from the government's TV ad campaign were not going over very big then.

I would like to make one other point, and it is with reference to the impact that the economic policy of the government has had on small businesses in Canada. I believe that small business is the backbone of the Canadian economy, however the goods and services tax and the myriad of taxes that have descended upon small business owners have forced many of them into bankruptcy.

The combination of the ongoing recession, the implementation of the GST, the recent high interest rate policy of the government and the reluctance of the Canadian consumers to purchase goods and services while in fear of losing their jobs have all had a disastrous impact on the ability of small business to survive.

It is my belief that not only has the small business community had to endure the fall–out from the government's economic mismanagement, it has perhaps suffered a significant blow to the desire of individuals to take the risk and start up a business.

I believe the federal government has done a considerable amount to erase the entrepreneurial spirit in Canada. With today's tough economic climate, there are not too many people eager to rush in and start a small business. Such a situation does not hold much promise for a better economic future for Canada. Given the number of Canadians that small businesses employ and their importance to the Canadian economy, it is imperative that measures be taken to rekindle the entrepreneurial spirit in our country before it is lost forever.

One of the first steps in that process and also to bring about an over–all economic recovery would be for the Prime Minister to dissolve Parliament and provide Canadians with an opportunity to elect a new government that has both the ideas and the ability to bring about the real and economic change.

The Prime Minister has stated that come election time his government will have nothing to fear in going before the people of Canada on its record. If this is indeed the case, the Prime Minister should refrain from looking at polls and go to the people instead and to do this at the earliest opportunity for the sake of Canada and all Canadians.

In conclusion, in order to hasten the Prime Minister along, I ask that all members of this House support the motion which is before us today.

Mrs. Louise Feltham (Wild Rose): Mr. Speaker, I heard one of my colleagues across the Chamber today saying: "It takes money to make money. Spend, spend, spend". Over the years, I have heard this many times from the opposition. Certainly, if we look at the record, the growth in program spending for the years 1969–70 to 1984–85 was on average 13.8 per cent. The growth in the last three years of the Liberal government, when we look at 1980–81, was 16.5 per cent. In 1981–82 it was 14.75 per cent and in 1982–83 it was 19.75 per cent.

In the last eight years this government has looked at an increase of on average 3.6 per cent. My question to my colleague across the way is: Is this the policy of the Liberals? Is it the policy to spend, spend, spend, to spend our way out of the recession? Do they have anything else to offer Canadians other than to spend, spend, spend?

Mr. Kilger: Mr. Speaker, I thank the member for Wild Rose for her question. With regard to spending, the intervention we heard prior to my speaking from her colleague from New Brunswick in relation to infrastructure would give her some insight into the ideals and policies of the Liberal government.

In fact, yes, at this time in our economy and facing the high unemployment we have, we would intervene. We hope that her government will do likewise. If I read correctly and if I am hearing properly, in fact those members are considering and will bring forward an infrastructure program in partnership with the provinces to address the issue of transportation through improvements to highways.

• (1420)

I believe that is very similar to the thoughts and beliefs of the Liberal Party. The Liberal Party has been on the record for some time in wanting to have government, in this case this government, get into partnership with the provinces and with municipalities in an infrastructure program. I welcome the initiative that the government is bringing in an infrastructure program in partnership with the provinces to address the national transportation network through highway improvements and so on.

Certainly the Liberal Party is in support of those types of initiatives. My party does not believe in spending and spending. We have to be fiscally responsible regardless of who forms the next government. But certainly this is a critical time for government to get involved in the marketplace and initiate an infrastructure program. I hope the government will act on its initiative that I understand is coming forward very shortly.

What else would the Liberal Party have to offer? We would have a great deal of hope to offer to Canadians. They want the chance, as our good neighbours to the south had recently, of going to the polls, electing a new government and giving them new hope.

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, I heard the hon. member make reference to the goods and services tax as being one of the evils this government has created, or at least in any event it is being harnessed with the blame. I sat here intrigued. I too do not like being the bearer of a public, a visible tax to replace a hidden tax.

As we all know in this Chamber the public does not react to the reality that this visible tax has replaced a hidden tax. It just requires a leap of faith. We thought that with the initiation of this tax Canadian taxpayers had the right to know what the government was taking out of their pockets and as a result we decided to go public with it. Perhaps politically it was not a very astute move but from the standpoint of honesty it was really the only way we could go.

I sat intrigued and asked myself if perhaps there was a better way to raise the revenues which everyone in the House will recognize were raised in a negative way in manufacturing through the federal sales tax and replaced by the goods and services tax.

Let us assume a full moon should rise at the same time that a low comes in from the maritimes and clouds everyone's vision and a Liberal government should be elected, what would the Liberal Party do? What would it suggest we do? What would it do to replace the revenue from the GST? Should it eliminate it or in fact would its plan be to eliminate it?

Mr. Kilger: Mr. Speaker, I welcome the hon. member's question. Let me start off by speaking on the GST from a regional perspective, from my own situation in Stormont—Dundas and Cornwall, which is on the north shores of the St. Lawrence river just adjacent to northern New York State. Taxes are never popular for any government, be it municipal, provincial or federal. It will be no different for the next government. If ever there was a tax revolt in Canada particularly in border commu-

nities, this tax initiated that more than any other I recollect.

Another negative impact of that tax has been that a great deal of money has gone underground. You see people trading services and so on. I recognize as the hon. member said that the former tax it replaced—and I am of that same school of thought, that tax had to be replaced. In this case, the government chose this tax. For the Liberal Party we recognize first and foremost that there is that $18 billion revenue which has to be replaced. You cannot say that you are going to get rid of the tax and not replace it. I recognize that the NDP possibly has a different approach to that. Certainly Liberals recognize that there is a very real revenue there that is critical to the operation of government. Certainly we are in the process of preparing to bring to the Canadian electorate an alternative to that tax recognizing that that revenue has to be substituted. We look forward to bringing that option to the electorate.

As soon as we fulfil this motion today all Canadians will know what the Liberal Party is going to do very precisely to replace that $18 billion revenue that is presently being generated by the goods and services tax.

[*Translation*]

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I am also going to consider the motion from the Liberal Opposition which says: "That, in the opinion of this House, the government is incapable of providing leadership and direction in the economic and social affairs of the nation and has lost the confidence of this House and of the Canadian people," and it goes on about a general election.

I could say to the hon. member for Glengarry—Prescott—Russell that I do not listen to criticisms from people with a short memory, but since he is calling for an election I will speak as if I were on the campaign trail. Speaking of election, I must say that I am ready to go as soon as one is called.

Here is part of my first speech, a speech I will deliver tomorrow morning, Saturday, November 21. I can tell the hon. member from the New Democratic Party who is trying to interrupt that unlike him I do not heed polls. Maybe he should try his luck and run for mayor of Montreal this time.

I am pleased to repeat what was said on May 31, 1991 about the Liberal member for Papineau—Saint-Michel, who was a member of the Bélanger-Campeau commission: "Over the last few days, the Liberal member severely criticized the federal intrusion into regional development, and his recent statements to the Bélanger-Campeau Commission showed that Mr. Ouellet was not talking in good faith". The member was saying: "You are not happy when the federal government does not invest, but when it does, you consider that it is dangerous and you say beware of Greeks bearing gifts".

On November 27, 1990, as one can see on page 809 of the official transcripts of the Bélanger-Campeau commission, the same member for Papineau—Saint-Michel said: "When you look at the performance of the Department of Regional Economic Expansion—that is the Conservative government—you realize that year in year out almost a third of its budget goes to Quebec, either through master agreements signed with the provincial government or through direct subsidies to industry. How can you underestimate the concrete results of these direct interventions by the Canadian Conservative government, which might not have given you all you expected but has nevertheless brought about concrete results".

That same November 27, on page 770, the same member is reported to have said: "The PQ is prejudiced against the Canadian government and it distorts the Canadian contribution to regional development". This was written by the member in a press release issued in response to a submission by PQ ridings.

In the newspaper of November 28, 1990 one could read: "Finally yesterday, after defending Quebec's jurisdiction in the area of regional development, he said that it was poor timing to try to intervene in new areas of provincial jurisdiction at a time when we try to come up with a new division of responsibilities within Confederation".

Following the results of the referendum in Quebec there was an editorial in *La Presse* dated November 14, 1992, signed by Alain Dubuc. It is important that all Canadians know about the comments of one of the best journalists in Canada. He said: "Now that nobody wants to talk about the constitution, we will have to look at problems that we tried to ignore for a decade. It is going to be painful. We have been in a slump for quite a while

now. The slide in the standard of living started as early as 1977, but the financial crisis of the state started to build momentum in 1982. As for the economy, Canada has been gradually losing its competitive edge for the last decade; during those ten years, except for a few bursts of energy such as the Ontario Boom, not only has Canada become less prosperous but it has been finding it hard to keep up with the most performing countries". In my opinion, it is this continuous downturn which triggered the political crisis, I mean the crisis which started in 1977. Canada, the triumphant one, was created in the sixties and seventies, rather artificially through massive federal interventions such as regional assistance financed by Ottawa, social programs financed by Ottawa and national institutions also financed by Ottawa.

• (1430)

When the economic slow down and the ensuing loss of prosperity started to impede the workings of the nation, the Canadian Government became unable to deliver the goods, which marked the beginning of the end. For example, it was when the federal government, under the Liberals, tried to replenish its coffers by taxing western resources that the west rebelled. And the more pronounced the crisis became, the more resentment grew as the Liberal government in Ottawa took measures to avert a financial catastrophe.

The reason why Canadians hate the Prime Minister so much is because of a whole array of politics such as the GST, free trade, symbolic cuts to VIA Rail for example, the redesign of unemployment insurance and tax increases. They want to shoot the messenger.

They are disillusioned with politicians mainly because there are no more handouts from the State and their dissatisfaction with federalism in its present form can also be explained that way. That is how, in my opinion, this creeping economic crisis contained all the right ingredients for a political crisis. But the whole situation was compounded by a unique Canadian attitude. Instead of facing up to reality, Canadians chose to flee. They took refuge in their national sport, the Constitution game, and tried to solve very real problems through constitutional amendments. Each region translated its deep resentment into constitutional parlance.

But the bottom line is that if the economy had been in good shape and the central government in good health, this crisis would never have occurred, at least not to such a degree. It is not sure that we can ever go back. These constitutional debates are addictive; right now we are going through withdrawal pains. We have witnessed that for the last few weeks. Canadians are just now discovering their economic woes. And the first thing they want to do is find a political solution to them, throw Brian Mulroney out. But who will take his place? A minority government made up of regional parties who do not even have an economic platform. Once again we resort to magic. People want to replace Mulroney with someone who will promise them things. And lo and behold, the Liberal Party has been making promises these last few days—

[*English*]

The Acting Speaker (Mr. Paproski): I would like to bring to the attention of the hon. member that he should not be using the Prime Minister's name. It is the right hon. Prime Minister. Instead of Mr. Mulroney use right hon. Prime Minister, please.

[*Translation*]

Mr. Saint-Julien: I am sorry, Mr. Speaker, you are right. As I was saying at the beginning of my speech, I thought I was in the middle of an election campaign.

People want to replace him with somebody who makes promises, when what we need is somebody who will dare tell the truth. The fact is only a government not afraid of being unpopular will be able to get us out of this mess. Our economy is a shambles. I believe the only person who is not afraid to tell the truth is the Prime Minister of Canada.

In February 1983, under the Liberal government, Abitibi had the highest unemployment rate in the last decade to this day. On June 23, 1992, a local newspaper, *La Frontière*, mentioned the 1983 unemployment rate: "In the last 12 years, unemployment rates have often exceeded 20 per cent in the regions. Just look at those numbers: November 1981, 22.7 per cent; December 1981, 21.3 per cent. Every month of 1982, except October when the rate was 19.2, and the first six months of 1983,

including February when the unemployment rate reached a record high of 28 per cent in Abitibi—Témiscamingue under a Liberal government. In 1984 unemployment remained very high: 21.7 in February, 20.3 in March, 25.7 in September. Such was the situation when we took over in 1984. Today I can tell my political opponents that unemployment is at 12.5 per cent.

Another thing must also be mentioned. Since 1984 when it was first elected, we have solved regional problems in my part of the country. Keep in mind that my riding is the largest one in all of the ten provinces. The day after I won the 1984 election, we discovered that some issues had been neglected for 26 years, some for 10 years. When people speak today of faulty management, I can tell you it is shocking. I could call my critics on the other side many collective names, but I will refrain from doing so.

Mr. Speaker, I can tell you, speaking about issues left unsolved for 26 years, about the housing facilities in Barraute, 26 years without giving the people a place to live. We had the Pavillon d'hébergement the very year I was elected. The new terminal at the Transport Canada regional airport was another problem that had been neglected for many years and so were the Cadillac stadium, airports for northern Quebec, developed in cooperation with the federal government, and the Amos municipal airport. Listen, that was a financial matter and the liberal member was a native from Amos and he never could find one penny to invest during the four years he was there. After only three years we solved the financial problem of that airport. I could mention numerous other cases like that.

However, there is one issue I would like to refer to. We were speaking about manpower training. The Parti québécois member for Rouyn-Noranda, Mr. Rémi Trudel, said last year that the best consultation program in Quebec was the communities program created by the federal Tories. It included a Business Development Centre and a Community Futures Committee. With the help of the government in place, we succeeded in doing some patching and we tried to find solutions after a 20 year liberal reign. It is fun to give one's first speech during an electoral period. They want an election. Well we are ready.

It is my first speech. When we go on the election trail, I will be able to say this is my second speech. But I want to warn them before they come to Abitibi. In any case, when they do come, they get there in the afternoon and go back the same night. They make a speech, but they are out of there the very next day. We never see them again. There is one thing I want to tell you though, Mr. Speaker. When I was elected in 1984, I was elected to serve the population be it Liberal or NDP; that is my mandate. If we speak about what we did, we certainly did our bit to maintain jobs. I have here the newspaper from Sunday, October 18, 1992. That is not so long ago. This, the oldest newspaper in Val-d'Or, said the Business Development Centre helped maintain 89 jobs. What is that? That type of thing did not exist in the liberal days. People were starving. They had trouble finding two meals a day.

In the *Courrier de Malartic* of June 5, 1990 they said that the Business Development Centre of the valley of gold was now ready to fulfil its mission. Those are concrete measures that were implemented in all of the Abitibi—Témiscamingue region. I say to our Liberal opponents that if they want us to call an election, they had better examine our political and our financial accomplishments before they come to our part of the country.

There is one issue I hate to raise in front of the Canadian taxpayers, but I will do so.

• (1440)

Of course there are some good members in the Liberal caucus and the NDP caucus as well. However, according to an article in Montreal's *La Presse* which appeared on Wednesday, September 30, 1987 the Liberals made Canadians lose billions of dollars. That is what it says. By being excessively concerned with political considerations—this is about 1987, during a press conference held by the Auditor General of Canada, Mr. Ken Dye—the former Liberal government wasted billions of dollars of taxpayers' money.

Early in 1984 the Department of Finance knew the scientific research tax credit program was in trouble. This was early in 1984. It is now 1992, and they want us to call an election. They have forgotten they were in power for 20 years. They have forgotten they left us a debt of $209 billion. They have forgotten that from 1984 to 1992, the compound interest totalled $238 billion. We all have loans. I do, and I pay compound interest on those loans. But the Liberal government left us a present of $238

billion. Imagine what we could do today, if we did not have that debt.

"We repeated our warning half way through the year—these were public servants talking to the Liberal government—but the department did nothing because the government had to". Well that is interesting because these are news clippings from 1987, and they say: "the department did nothing because the government was about to start its election campaign, Mr. Dye explained, appearing before the House of Commons public accounts committee".

Today a member moved a motion calling for an election! Let us go back to 1987. The quote continues "if it had intervened sooner the Liberal government could have saved substantial amounts. Very substantial amounts, since billions of dollars were involved. This controversial tax credit became the costliest tax fiasco in Canadian history. When it was announced in 1983, former Finance Minister Marc Lalonde expected the program would not cost the government, i.e. the taxpayers, more than $200 million".

Scientific research is important. I supported this $200 million program. We welcomed this program. It was welcomed by business people, students and our universities. Everyone was delighted, because $200 million was reasonable. But look at what happened.

The program was abolished by the Conservative government—and we are still in power—and it was criticized for doing so. It was in all the newspapers, and the media really attacked us. However, what the media did not know was that shortly after this government came to power, the program had mushroomed to the tune of $3.5 billion, and up to $1.9 billion of that amount had disappeared as a result of fraud.

How could anyone expect a $200 million program, paid for by taxpayers, to end up costing $3.5 billion, while $1.9 billion of this disappeared as a result of fraud? Just think if we had been able to save that money, those $1.9 billion, how many hospitals we could have built for the sick, how many schools we could have built for our children and how much money we could have invested in regional development.

Fraud was committed when businesses and private citizens applied for tax credits without doing research. The purpose of the program was to offer generous tax credits as an incentive to companies and private citizens to invest in research and development.

According to Mr. Dye, the Department of Finance should have had some suspicions from the very beginning, considering the flood of requests for application forms as soon as the program came into effect in January 1984. However, Mr. Lalonde was confident he had a program that would produce results.

Today many people look at the polls and some look at the figures for their ridings. Polls may be important, but before calling an election, I think we should look at all the Liberal dossiers, the previous government and all its programs.

They did some good things. They helped the people, but when we look at a $200 million program that mushroomed into a $3.5 billion–program, of which $1.9 billion disappeared as a result of fraud, one wonders what happened. As far as elections are concerned we are ready for an election. We are ready to defend our ridings. But I want to make one thing clear to the opposition: We are working for the people of this country. It is not easy today. We are trying to find solutions, but we should all remember that together we can do the job. Together with the opposition. It does not matter who the parties are. Let's find solutions and do what has to be done, in the best interests of all Canadian taxpayers.

Mr. Eugène Bellemare (Carleton—Gloucester): Madam Speaker, thank you for letting me make some remarks to my colleague, the hon. member for Abitibi, whom I find very enthusiastic and even humorous on occasion and with whom I sit on the Public Accounts Committee. I commend him for agreeing that an election should be held. The hon. member for Abitibi tells us that he is quite ready for an election as of November 21. As you might expect, we will wait a while, perhaps until the snow has melted in Abitibi, so that people can go and vote in large numbers for our colleague from Abitibi. I say that tongue in cheek because our friend, the hon. member for Abitibi, has made gratuitous assertions throughout his speech in this debate.

I found one of the great weaknesses of the Conservative Party today, and we saw it in the hon. member for Abitibi, is that they go back to 1984 or 1983 or 1972 or 1965. As you would expect, they never want to touch the 1930s. One thing we must remember is that we are talking about the government that is now in power. I will tell you about the period from 1988 to 1992 and this government should end in 1993. The debate is on 1988 to 1992, or 1993 if you prefer. The economic policies and guidelines and programs of this government are at issue. That is the question. The question is not whether former Prime Minister Clark or former Prime Minister Diefenbaker or former Prime Minister R. B. Bennett or former Prime Minister Trudeau or former Prime Minister Pearson did this or that.

That is like a boxer who talks about his previous fights of past years. The fight that concerns us is the one today. Today's fight is on the period from 1988 to 1992. I would like the hon. member to tell me about the reports we see every week in the Public Accounts Committee: the Auditor General's reports and disastrous comments about this government's mismanagement. It is all very well to tell us that 89 jobs were created in Abitibi. I would like to know how many food banks were created in Abitibi, in Quebec and throughout Canada between 1988 and 1992. How many manufacturing plants shut down? How many people were laid off? How many unemployed do we have? How many people are looking for work? How many are on welfare? And of those who have jobs, how many feel insecure because of the lack of confidence? What is the interest rate today? And to conclude, if he wants to end with just this question, how much money did the government waste from 1988 to 1992 on advertising campaigns on television and in newspapers and magazines? I would like the hon. member for Abitibi to tell me about that waste of money.

• (1450)

Mr. Saint-Julien: Madam Speaker, in answering the Liberal member for Carleton—Gloucester, and I was expecting that one, let us go back to the last few months. I will have to make a second political speech. It will be short and easy. If you look at the development in Abitibi, especially in my riding, which is the largest in all ten provinces, we succeeded in implementing Canada-Quebec agreements on economic development that provide $75 million for 4 ridings. Today there are $14 million left out of the original contribution of $35 million of the federal government. But I made some projects. I made a lot of projects and it is thanks to the two governments that we were able to have agreements. We had a $100 million Canada-Quebec agreement on mining development; the Abitibi—Témiscamingue got $24,8 million. It is not because of the Conservative members but, rather, because of the taxpayers, the contractors and those who have mining projects. We are here to serve these people. We are not here just to cut ribbons and make good speeches. We are here to take calls in our office.

This summer Employment and Immigration was short of $1.3 million to help our students, namely those unemployed people who wanted some training, and who wanted to study and complete their high school. Our government was able to find that money thanks to the Quebec Minister of State for Employment and Immigration. We solved the problem.

Since the hon. member referred to food, let me say that the day after the referendum I turned the first sod for a food co-op, a $4.1 million project. I can tell you that we are building with the Crees in Val-d'Or a food and distribution centre. This is a $5.4 million project that will create 20 jobs.

Talking about bad management, my friend is a member of the public accounts committee. But what is taking place right now with the public accounts? They are just finding out that money was wasted on CIDA programs, on programs and projects that go back 10 years. We always find out about the bad news five or six years later.

If we talk about development it is because it is important to us. We work and we try to find solutions. He talked about the Business Development Centre that helps preserve 89 jobs. Our government has spent $2.2 million in the Val-d'Or region to help businesses and to protect jobs.

The hon. member talks about wasting money. I am pleased to hear him talk about wasting money and I am also pleased to tell him that I am the only Canadian and Conservative member of Parliament, that releases his expenses throughout Canada. I release them to all the media, every three months. I just tabled a bill here in this House. I hope that the hon. member will support it so that after the next election all federal members of Parliament will make their expenses public. But when my colleague talks about wasting money for publication and publicity purposes in Canada, I would like to get figures. In any case, the federal government has always been the one that spent the most money to inform the taxpayers and the public of its programs. This has always been the case.

I agree with the hon. member when he says that it is not easy these days. We are here to serve the public, regardless of our political stripes.

In my offices, I have one in Senneterre where, for the first time they have an MP office, one in Amos and Val-d'Or. We take calls and it is not easy these days to talk to students and unemployed people, but together we can find solutions and go forward to build a better Canada.

Mr. Bellemare: Madam Speaker, I rise on a point of order. I know that it is Friday afternoon and that everybody is tired. But is it appropriate in the House of Commons for a member to rise when he is wearing an old pair of blue jeans?

Madam Deputy Speaker: I can assure the hon. member that, from where I am, I can see the hon. member is wearing a shirt, a tie and a jacket, as we can see on the television screen. This Friday afternoon, everything seems in order to me.

Mr. Saint-Julien: Madam Speaker, I rise on a point of order because I would like to show to all Canadians that indeed I am wearing jeans. But wearing jeans is as important in Abitibi as wearing a suit. Where I come from, people wear suits or jeans, and I will not let others insult me because I wear jeans. I have the right to wear them in the House.

[*English*]

Mr. Neil Young (Beaches—Woodbine): Madam Speaker, I just hope the said jeans were made in Canada and were union made.

It gives me the greatest pleasure to stand in support of the motion before the House today which reads:

> That, in the opinion of this House, the government is incapable of providing leadership and direction in the economic and social affairs of the nation and has lost the confidence of this House and of the Canadian people and that, therefore, an election should be called forthwith, in accordance with the Canadian custom, practice and tradition of holding a general election at least every four years.

I am not sure about the part that talks about Canadian custom. It has been for the last couple of years, but it has not always been like that.

One of the reasons why I fully support the motion itself is that there is an increasing or growing number of Canadians who will become thoroughly convinced that this government is on a scorched earth policy in so far as the Canadian infrastructure is concerned.

A growing number of Canadians sincerely believe that we are going down a path that will see the eventual destruction of Canada as we know it as an independent, sovereign nation.

Madam Speaker, as you have consistently watched how this government has operated since it came into power in 1984, I am sure that as an independent member of the House you would share some of those concerns.

I particularly want to spend a few minutes talking about what this government has done on the fiscal front since it was elected in 1984. From the then Minister of Finance's first budget when he attacked old age pensions by attempting to deindex them and was unsuccessful in doing that—but he was successful in deindexing family allowances at the time—and in nearly every successive budget since that government came to power there has been a continued attack on Canada's social safety net.

One of the major arguments that the government has used for attacking these social programs is that the government has to control Canada's deficit and social programs are the cause of Canada's deficit.

A number of articles have been written in recent months which clearly show that is not the case. Of course we have argued over the years that is not the case. However, it is nice to see an independent group such as the *Canadian Economic Observer* write an article in June 1991 called the "Growth of the Federal Debt" which clearly substantiates the arguments we have been making over the years.

I will quote from the article. It analyses the contributions to the growth of the debt after 1975 made by both total revenue and expenditures and their components and says that while the consequences of the debt are controversial, the statistics presented will make it easier to understand how the current level of indebtedness occurred.

It continues that broadly speaking government program spending as a share of Gross Domestic Product did not rise significantly over the whole period from 1975. In fact, it moderated compared to the preceding 10 years when social programs proliferated. Expenditures and social programs did not contribute significantly to the growth of government spending relative to the Gross Domestic Product.

Excluding the cost of unemployment insurance, which is intended to be self–financed and over the business cycle, social program spending has not increased relative to the GDP over the last 16 years. This moderation would have been more evident but for sharp increases in interest payments on the public debt.

• (1500)

Deficits also became steadily larger after 1975–76, initially more from shortfall of revenues than higher spending, and much of the shortfall originated in numerous changes designed to reduce taxes and in the transfer of tax points to the provinces.

Even more recently, on November 5, 1992, another economist, Patrick Grady of Global Economics Limited corporation, also issued a report which clearly showed that much of the reason why Canada's deficit was so large was the regressive tax reforms brought in by this federal government. There has been a steady erosion of disposable income by middle and low income Canadians through this government in successive budgets nickel and diming people to death.

The average Canadian family, according to this study, is paying about $2,945 more in taxes today than it was in 1984. That is nearly $3,000 per family in disposable income that is not being regenerated within the Canadian economy.

When I hear this government say that there is nothing it can do in order to alleviate the poverty of over one million kids in this country who are relying on food banks to have a healthy life style, I just do not understand that.

What has happened is the government has shifted the tax burden away from the corporate sector. I heard my friend over there talking about how his government was helping businesses by the use of tax dollars in his particular constituency. I would like to see, just for a small change in emphasis, perhaps this government getting its priorities right and spending some of those tax dollars on thousands and thousands of Canadian families facing desperate conditions today because of the policies followed by this government.

If we take a look at yesterday's *Quorum*, a press clipping service received by all members of Parliament, we see that the justice panel, the justice committee of the House of Commons, has decided to take a look into the recession as a factor in the increase in the crime rate in this country.

I do not know why a Commons committee today has to undertake that kind of study. It has been well documented. There was a study done by then Senator Hubert Humphrey in the United States labour department in the middle 1970s that clearly showed a link between government economic policy, and in this case a recessionary one, and the increase in crime, in family violence, in suicide rates and in child poverty. I could go on and on and on. It has all been well documented.

This government is choosing to ignore that and to say its whole emphasis as a government has to be on deficit reduction, as opposed to doing things to help alleviate the desperate poverty that many people are living in today.

Even if the recession were to end tomorrow, the various studies I have seen clearly indicate that the effects of that recession do not end when the recession ends. The social programs are going to be with us for at least 10 to 15 years after we get out of this recessionary period.

I am concerned about that. Most people I talk to, ordinary Canadians for the want of a better term, are very much concerned about that. When they talk about the recession, everybody agrees it was made in Canada.

It was a deliberate policy by this government particularly aimed at Ontario and Toronto.

When we get through that people then become quite concerned about jobs, and properly so, the jobs that presently exist and how secure they are. They take a look at the effects of the Canada free trade agreement on jobs, particularly in my own province but also elsewhere. Then they listen to this government saying that not only is it happy with the existing free trade agreement with the United States, but it wants to expand it to include Mexico and broaden it even further after that to include the whole North American continent.

An hon. member: What is wrong with that?

Mr. Young (Beaches—Woodbine): I will tell the member what is wrong with that. He should come to my constituency and talk to people who were productively employed for years, are no longer productively employed and do not have a hope in hell, quite frankly, of getting a job ever again because of their age.

I have people living in my constituency—and we could say the same about nearly every constituency in this country—who began working in a plant, a factory or an office at age 16, 17, 18, 19, 20 or whatever. They had every right to expect, based on past performance, they would probably work with that company until their retirement at age 65.

What has happened is that much of the secondary manufacturing in this country has gone down the tubes. We said it would go down the tubes with free trade, mainly because of the branch plant economy that has existed in Canada since the late 1930s.

I want this hon. member from the government side to come down and talk to the people who come into my office. They have worked for the same employer for 30 or 40 years and suddenly wake up one morning and the employer has closed the plant gates. He could try telling those 50-year old or 55-year old individuals that free trade has been good for them.

It is okay for those guys over there who probably came out of some lucrative small business community. They probably owned it themselves and had money oozing out of their bloody pockets on a personal basis. If they tell average Canadians that at age 50 or age 55 there will be all kinds of employers out there begging those individuals who have the skills and the education to come and work for them, they are dreaming. That just ain't happening.

They should get out there on the streets and talk to people. They should find out for themselves the kind of misery the policies of this government have inflicted on decent working people. It is a crying shame.

The quicker we dump that lot and hopefully not replace them by the other lot that was in there before, the happier I will be and I think the happier the Canadian population will be.

Mr. Steve Butland (Sault Ste. Marie): Madam Speaker, the member for Beaches—Woodbine has probably said what I would like to say. Perhaps I would say it in a slightly different way but the message is the same.

We are approaching the fourth anniversary of this particular session. I go to a lot of anniversary celebrations in my constituency and normally they are quite happy events. However, may I suggest the anniversary of this government will not be greeted with celebration among most Canadians. I suspect that over most of the country there is a pall; it will be a day of mourning rather than a day of celebration.

The Prime Minister has said they have to get the fundamentals right. If they do not get the fundamentals right in an eight-year period, it is likely they will never get them right. Coming from an educational background, if students do not succeed after eight years of something, then there is something dramatically wrong, either the system is totally wrong, but I suspect the policies of this government are totally wrong.

• (1510)

When are the policies going to be changed? If the policies are not working, it is obvious we have to bring down something different. They say, "we are going to stay the course". God forbid we stay the course. It is like a ship going through the shoals; it runs into a GST over here, but they say well, let's forge ahead. They come to their so-called tax reform and hit large rocks and are pounded on those. But still they say, let's stay the course. They come to a waterfall, it is free trade and NAFTA. What the heck, we are staying the course, even if we have to go over the waterfall and the ship and the

captain and the crew have to go down. It doesn't really matter, we are going to stay the course.

It is imperative that an election come forward as soon as possible, because people say they do not want them to stay the course; they do not want them to get the fundamentals right, they want to change direction. They do not agree with their fundamentals.

I have to give the government credit for sticking with what it believes. I happen to believe it is totally incorrect, but it is certainly consistent.

My friends to the right are terribly inconsistent. The member says they stand for everything. Exactly. That is the Liberal stance. When they are in government perhaps they will agree with the friends across the aisle, but right now I think they agree with us. I have to give the government credit for consistency.

My colleague from Comox—Alberni talked about Tommy Douglas's famous analogy of the black cats and the white cats. The black cats come in and they bring in policy that is of no benefit at all to the average Canadian. The Liberals, they are a different colour cat, but they come in with the same kind of policy. On occasion, the cats get together and say: "They don't like the black cats and they don't like the white cats, maybe we should accept some spotted cats—black cats with white spots or white cats with black spots." However, the policy is not good for the people because they remain mice. If the people are mice, cats pass legislation that is good for cats and not good for mice. This Tommy Douglas analogy never ever loses its impact upon people.

I was looking at the legislation the government has passed and wondering what we had here. We have the GST and we know the fiasco that was; free trade, we know what happened as a result of that. Probably some of the jobs—and many of them were—lost in the manufacturing sector were lost because of the recession, but nevertheless the bottom line is there are hundreds of thousands of jobs gone, jobs that will never come back. So we will expand that to Mexico and beyond that.

The member across asks what is wrong with that. What is wrong with it is going to South America and not improving the standards of any of the workers, that is what is wrong with it. Everybody is for free trade as long as the standards of the people who are involved in the trade agreement are increased.

This government has capped transfer payments to the provinces. We have an airline tragedy, a crisis. We had a crisis in train transportation a couple of years ago. We have an attack on our social assistance programs. Medicare is under attack. Family allowances are under attack. We are under attack with the clawback provision. All these programs were under attack and the government won that battle, it killed them completely. Now we have unlimited deregulation of drug prices, Bill C-91.

We have to change the direction of government. A change of direction would be brought about by an election. The people want an opportunity to clear the air. In the United States people are feeling good. They feel better now that the Bush style is gone, the Reagan style is gone, the Thatcher style is gone. People are rebuking that kind of economic policy for their countries and Canada will also rebuke this government.

Once in awhile the government says: "We have created a lot of jobs. We have created thousands of jobs". I want to point out that 91 per cent of the jobs created in 1990 were service-oriented. I have nothing against service oriented jobs, they are wonderful, but at the same time a country requires a manufacturing base. The Tories are killing the manufacturing base of this country, in particular in the province of Ontario which once was a very proud and wealthy province. This government has had a great deal to do with the demise of Ontario's success.

There is no fish in this country, there is no work in this country, there is no direction in this country, there is no leadership in this country, there are no new ideas, there is no confidence, there is no credibility, and most of all there is no hope. The only thing that will restore hope to the country would be an election and you people are going to have to be removed from government.

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Madam Speaker, it is no wonder that people in this country are losing respect for politicians, if they turn on the tube and listen to the kind of nonsense we just heard from the hon. member opposite.

When we talk about what is happening to the economy, when we talk about the half-truths that they speak all the time, this is where the problems really come. The

member talked about no fish as if it was the government's fault.

Mr. Butland: That is right.

Mr. McCreath: It is the government's fault that there is no fish in the ocean. Governments control the number of fish in the ocean. People in Atlantic Canada know better than that. That is why there are no NDP members in Atlantic Canada.

The member talks about business and what is good for business and creating jobs in this country. Why is it that the NDP is dropping like a stone in the polls in Ontario? It is because some of these things that sounded great at the London School of Economics in the days of Laski and socialism were still thought to be a credible economic policy, people in Ontario are finding out just what a good idea socialist NDP politics are.

What do we hear? We hear that the free trade agreement has taken it all apart. Now we will have the North American free trade agreement and by golly every 47 cent an hour Mexican is going to take jobs away from Canadians. What balderdash.

The facts of the situation are that since the FTA came into being, 19 out of 22 Canadian industrial sectors have gained a greater share of the market. Is that not strange? Do not confuse rhetoric with fact.

We noticed the increase in investment. Compared to 1988 before the FTA, our export of goods to the United States is $15 billion higher. How many jobs are involved in $15 billion? Boy oh boy, that is an awful lot of people. We do not hear about this very often. Every little sparrow that falls, somebody said, when the FTA was brought in is going to be blamed on the FTA. Ignore the recession.

My friends opposite would have us believe that job losses in Canada have nothing to do with the recession. It all has to do with the FTA and the GST. What does the GST do? It makes the cost of the manufacturing process more competitive. That is why our exports have gone up. That is why we have attracted investment. That is why every industrialized country in the world, except the Americans, have that kind of added value consumption tax. It is more efficient. It enables business to work. The same applies with markets.

I have one simple question for my hon. friend. If his policies are such a profound and brilliant idea, if this is the way of the future, can he explain to me why the popularity of the NDP in Ontario and indeed in British Columbia is dropping like a stone?

Mr. Butland: Mr. Speaker, I would not anticipate anything other than a simple question. We heard a lot of bluster and I acknowledge the member's enthusiasm for what he may or may not believe in.

The facts are that exports to the United States have increased, and we accept that, but we have become almost totally reliant on the United States. Exports to Asia and Europe have gone down. Should the government not be concerned about that? Oh, no, it is not concerned about that. Tie yourself to one power. Forget Asia, forget Europe. They are not important any more. Exports to the United States are not on value added goods, they are on natural resources. It is raw export. Do not be fooling the public into thinking that the government has created jobs. The net loss of jobs is in the hundred of thousands, no matter how the government cuts it.

• (1520)

We are prepared to go into an election—

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated.

[*Translation*]

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Mr. Speaker, I am pleased to participate in this debate today on behalf of the Minister of Employment and Immigration and to have an opportunity to assure Canadians that the government recognizes fully the importance of training as the key to our social and economic well-being.

I want to talk about labour force training programs and the importance of Canada's labour force for our government in order to demonstrate how we have always been concerned with that aspect in our good management policies.

Training programs allow people to acquire new skills, and it takes skills and knowledge to ensure that the largest number of Canadians participate in the labour market and in the prosperity of our country.

That is why, this year, our government will spend $3.55 billion to provide training to some 770,000 people. This represents a net increase of $450 million compared to last year's training budget of $3.1 billion and an increase of close to 60 per cent compared to the $2.1 billion spent on training just seven years ago, in 1985–86.

The spending for 1993 will be $2.2 billion and will be aimed at the Developmental Uses of Unemployment Insurance. The announcement made last night by the Prime Minister shows once again that our government is committed to helping unemployed Canadians.

For those who do not know what is meant by developmental uses of unemployment insurance, it is a plan whereby UI recipients are given income support while they acquire the skills that will allow them to find a job.

By implementing this measure, the government follows the recommendations of the Canadian Labour Force Development Board, which I will talk to you about in more detail in a few moments. The board recommended an increase from $1.4 billion to $1.8 billion of the unemployment insurance developmental uses budget for the 1992 calendar year.

Training requests and participation in the Work Sharing Program increased so much that we had to inject $150 million more in those activities.

To also help people who do not get unemployment insurance, the government will spend $1.6 billion for job training and job creation through the Canadian Jobs Strategy.

Now that emphasis is being put on the developmental uses of unemployment insurance, we can provide more profitable and efficient training to Canadians who need it.

Credit for this new initiative must be given to the Canadian Labour Force Development Board. The creation of this board, which incidentally is not a government agency, is an important step in our involvement in the labour market. It marks the beginning of a new form of cooperation between governments and their main partners, the business community, labour unions and social action groups. These partners can now directly take part in the decision-making process, hence becoming architects of prosperity in our country.

Our government is proud to be involved in the promotion of job related training. The Minister of Employment and Immigration showed leadership in that area and turned labour force development into a responsibility we share with our partners, the private sector and other levels of government.

Preparing Canadians for the future means an important commitment to training. Canada will do everything possible to give itself a highly skilled labour force.

However, from what we see in other countries, we must do more.

Only 25 per cent of Canadian businesses provide formal training to their employees. Companies in Japan spend five times more than Canadian businesses on training. Despite a high rate of unemployment, many jobs are not filled. Each month, employers are unable to find workers with the required skills to fill tens of thousands of jobs.

Many of those unqualified workers dropped out of school only to find themselves part of the first ever group of unemployed in Canada who have never held a job in their life. The unemployment rate of this group stood at 15.9 per cent in 1991, compared to 3.9 per cent for graduate students.

Our economy creates highly specialized jobs requiring more that 17 years of formal education. By the year 2000, half of the new jobs will require as much. We need more workers with the qualifications needed on the labour market.

Since the birth rate is falling, Canada will have to make a better use of the under utilized groups in our labour force, that is women, handicapped persons, natives and visible minorities.

That is why this government launched the Canadian Jobs Strategy in order to emphasize job related skills development, specially in the four groups I just mentioned. This year the budget of the Canadian Jobs Strategy will be $1.6 billion.

Manpower development is a shared responsibility. That is why the labour force development strategy was launched in 1989. It emphasizes partnership and program flexibility. Immigration and Employment Canada's programs and services have been made more flexible and

more accessible thanks to the advice of our new partners in the labour market.

The Unemployment Insurance Act was amended in order to channel a greater share of unemployment funds towards the training of the jobless. In this we followed the advice of our partners in the labour market. Unemployment funds used for training rose from $500 million in 1990 to $1.95 billion in 1992.

This is obviously a more productive use of unemployment funds, and that approach is fully supported by our partners in the labour market, that is all employers and workers who are the sole contributors in the unemployment insurance program.

In order to give our labour market partners a permanent role to play in the training policy and see to it that they always have a say in the matter, the Minister of Employment and Immigration has set up the Canadian Labour Force Development Board. Co-chaired by business and labour representatives, it is comprised of 22 members representing the labour unions, the business world and the academic circles. The most used groups in the labour force are also represented. There are members representing women, handicapped people, natives and visible minorities.

The mandate of this board is to help enhance training in Canada. That is something no government or agency can do alone. To enhance training, qualification standards have to be established through consensus between provinces. A network of provincial and territorial labour force development boards has also to be set up, as well as local boards, so that decisions concerning training be taken at the grass root level, as they should be.

These new partnerships between the private sector, Canadian individuals and governments are in my view critical for the prosperity and the economic well-being of Canada.

To ensure the social and economic well-being of Canada, governments must be ready to give up some of the control they have in these coveted areas of policy and program establishing. In light of the experience of other countries and the opinions expressed by the leaders of the labour unions, the business world and the academic circles, it appears that we have to act upon our partners' advice instead of considering them as mere advisors.

• (1530)

Pathways to Success, the aboriginal employment and training strategy implemented by Employment and Immigration Canada, is a perfect example of the application of that principle. Thanks to this strategy, aboriginal training boards, which had a consultant role previously, have become full partners. Now aboriginal people are able to control their own destiny, with the required skills and the means to take action.

They are told: "Develop your own training programs and your own job creation projects, according to your particular needs and exclusively for your people". It is the first time that such a partnership is created. This partnership will ensure that training programs for aboriginal people are provided, managed and controlled by aboriginal people themselves, in collaboration with Employment and Immigration Canada.

This strategy is extremely beneficial to some 78 aboriginal groups across Canada. These groups are now able to allocate millions of dollars to training centres in their community so that their aboriginal clients can acquire the new skills that will allow them to find a job.

Last April the Minister of Employment and Immigration approved funding for four experimental sites: two in British Columbia and two in Ontario. Together, these four aboriginal management boards will provide training and job creation programs worth approximately $21 million to some 5,000 clients over the next 18 months. This represents another important breakthrough in our efforts to develop partnerships for the future.

The creation of new partnerships with the private sector is of the utmost importance. In the past, the private sector including the business community, labour unions, social action groups and other non-governmental organizations did not have a specific role to play in the resolution of problems related to the labour market. In Canada we do not have a tradition like other countries do of putting aside differences to collaborate on matters of common interest, such as training.

But a consensus on training matters came out of the consultations which led to the labour force development strategy. That consensus offered the perspective of new approaches. Employment and Immigration Canada now follows up on this consensus by establishing new cooperation structures, like national native management com-

missions, labour development commissions and productive uses of UI funds.

Let me give a couple of examples of persons who can benefit from a development program offered by Employment and Immigration Canada: a woman who is 36 years old, spent 20 years in the catering business and was laid off twice in the last two years, which is, it goes without saying, a very discouraging situation, or a 30-year old person who wants to work in the hospitality industry, but a job is more and more difficult to find.

These cases are a sign of the times. Even if the tourist industry is a big employer, there is a lack of qualified people for the jobs. Therefore, with the financial assistance of Employment and Immigration, the principal intervenors in this industry will work together to help these women upgrade their skills to better meet market requirements.

Those intervenors can train front-line employees and supervisors who get UI benefits. There is such a high labour turnover in the hospitality industry that it is hard to maintain a quality service. Employers are pleased to see the government and everyone in the industry cooperate to improve the situation. This is only one example among many.

This vision is one of an active society where the government is suppossed to help people prepare for the job market, where working people are rewarded, where counselling, training, relocating and business starting services are offered to those who are looking for a job. Labour market reintegration requires income maintenance, but the focus is not income maintenance nor reintegration. It is work itself.

In the same way, the prosperity initiative forced us back in the real world and replaced the economy on the forefront of our concerns. Indeed the UI reform should enable a more active use of UI funds and promote self-sufficiency among unemployed workers.

We must also promote more private sector investments in training to make our labour more competitive and we must help people adjust themselves to competition. According to a comparison with other countries, all members of the Organization for Economic Development, Canada trails behind in terms of its active assistance initiatives compared to its passive ones. We are on the right track, but we must do more.

We are actively trying to find solutions and our programs are constantly improved. Training did not respond to private sector needs, so we handed the controls over to the private sector, that is to the labour development commissions. Right now 68 000 employers and associations offer training, and 200 private sector groups instead of public servants are taking up courses.

We are getting excellent results with our industry adjustment program, so we doubled the funds. We were not getting good results with respect to the natives, so we gave them responsibility through the Pathways to Success strategy. Our labour market had obsolete professional standards in the area of automotive repair, so we called on the Canadian Automotive Repair and Service Council. Our high schools were getting poor results with respect to high risk youths, so we funded co-operative education, which encourages young people to go on with their studies while gaining work experience and a sense of reality.

The Minister of Employment and Immigration certainly has shown some leadership, with the support of his department which has a unique approach to dealing with the problems of our modern era, which require creative solutions instead of well-worn criticism.

Those problems can be solved, but not though traditional means. With traditional solutions, governments are always right. This must be the kind of solution the mover of this motion has in mind. But none of the problems we have fit the traditional mould. Times have changed, as the hon. member will realize if he takes the time to try and understand the problems we have to deal with daily with our partners.

I have shown that our government strives to manage Canadian affairs properly and looks after labour development and new skills development. In recent years it implemented programs that will allow the young, the natives and women to get better jobs for longer periods

of time, and that will help many people to launch new businesses.

I will conclude by saying that our government did look after fundamental problems in manpower training and implemented programs suited to present needs. It will still try and make these programs better, more effective and more accessible for those who need them.

Mrs. Gabrielle Bertrand (Brome—Missisquoi): Mr. Speaker, I want to compliment my colleague on an extremely instructive and well documented speech. It is going to take a while to digest all that.

I listened carefully and with interest because, in my riding many high-tech industries greatly benefited from all these manpower training initiatives. Take for instance IBM, General Electric, Mitel, Insdana, Econo-Bell, all those companies seeking manpower, that need skilled manpower and were able to take advantage of our programs.

I would also like to mention another organization, the TCIT. This acronym stands for Townships Corporation for Industrial Training. This group of business people, mainly entrepreneurs, got together with the teaching community to communicate their needs, saying for instance: "We would need so many welders in our company. Could you please train them". School is there to train welders, and it is the same in several other fields.

• (1540)

I am thinking of another group called Passage Yamaska; my colleague spoke about training for women. Passage Yamaska is for women between the ages of 30 and 45 who have left work for all sorts of reasons or to raise their young children or for other women who never worked and are now free and wonder about their future and go to Passage Yamaska to find a way into the working world. These are all examples. You talked about the co-op program, which is still wonderful. Students spend three days a week in school and two on traineeships in business and actually see what the world of work is like.

What I wanted to tell my colleague is that further to all these programs and this whole labour force training policy the Minister of Finance announced a prosperity agenda very recently. This plan was developed by an independent group of men and women, business people, union leaders, educators who wanted to promote a learning culture. Six of their ten recommendations directly concern labour force training. I do not know whether my colleague would like to elaborate on that at a time when the competitiveness of our companies is so vital because of the globalization of markets. I would like my colleague to show me that this prosperity agenda really meets a need.

Mr. Langlois: Mr. Speaker, obviously the comments made by the hon. member for Brome—Missisquoi are very much to the point. The consultations on the prosperity agenda showed us that there are huge labour force training needs throughout the country, in preparing young people for the labour market and integrating target groups, namely native people, the disabled and visible minorities who have to be integrated into the labour market. Business people and owners and labour unions also told us that more effort must be made on manpower training programs to properly target available jobs and give people access to them by giving them the skills they need.

That is why the report of the prosperity task force contains a series of recommendations on that problem. I must tell you that the department responsible for implementing all components of the prosperity agenda, the Department of Industry, Science and Technology, with which I have the great privilege of working very closely, will focus on meeting the requirements of the prosperity agenda and especially on labour force training needs. With Employment and Immigration we will really try to put in place labour force training programs that will give those in need of training and those who receive training real access to the jobs available in a modern economy.

I just heard NDP members lash out at our free trade agreements with our partners. Look, we are on the eve of the 21st century. We can no longer put up a fence around our country. We must trade with neighboring countries and the greatest market potential is with North America, with the United States and with South America. We have put in place the means that will give us access to those markets. That is why we must orient our labour force training programs to these new needs.

[*English*]

The Acting Speaker (Mr. Paproski): I believe I have 30 seconds left. I must call it 3:45 p.m. unless the hon. member wants to ask a very fast question.

Mrs. Ethel Blondin–Andrew (Western Arctic): Mr. Speaker, I was intending to be very gracious and very eloquent on the subject of this debate. In thirty seconds, I have no confidence in this government. I think it should call an election.

It being 3.45 o'clock p.m., it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the Business of Supply, pursuant to Standing Order 81(14).

Accordingly the question is on the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. 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.

An hon. member: 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 45(6), a recorded division stands deferred until six o'clock p.m. Monday, November 23, 1992.

Pursuant to Standing Order 37, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper. With consent, may we carry on with Private Members' Business?

Some hon. members: Agreed.

PRIVATE MEMBERS' BUSINESS

[*English*]

EMPLOYEE SHARE PURCHASE PLAN ACT

MEASURE TO ENACT

The House resumed from Tuesday, September 15, consideration of the motion of Mr. Butland that Bill C–327, an act to assist employees to purchase a controlling shareholding in the corporation that employs them and to amend the Income Tax Act in consequence thereof, be read the second time and referred to a legislative committee in the Economics envelope.

Mrs. Ethel Blondin–Andrew (Western Arctic): Mr. Speaker, I am pleased to be invited to speak on this private member's bill. I would like to support this bill in relationship to the current ongoing issue of the Canadian Airlines employees' proposal that has been put forward in the last week or so to the government for consideration.

I must say that this has been a very contentious debate. I think that it pertains generally to the specifics of this private member's bill. It proposes that the employees would play a fairly major role in the contribution that it makes and in the direction that this one airline would go in terms of the whole airline industry.

What it proposes is that the employees would contribute approximately $150 million toward becoming major shareholders and stakeholders in this particular deal that they have proposed to the federal government.

I feel that a sense of ownership gives a sense of dignity, a sense of possession, a sense of pride and respect. It is generally proven to be one of the main pushes for incentives that employees would have in the company that they work for or the corporation they work for in order to do a good job, to provide quality of service.

We know that Canadian Airlines in and of itself is ranked I believe ninth for the quality of service that it offers. We take a particular interest. As the member of Parliament for Western Arctic, I have been notified by a number of northerners and westerners. I am sure all of

us from the west understand that this is a priority for not only northerners but westerners as well.

I am particularly concerned about the way in which this whole merger and this proposal has been handled in that it is generally not a new problem.

• (1550)

It is one that has been evolving over a period of time. As a member of Parliament and as a citizen of the western Arctic, I believe and share the concern with other westerners and with other Canadians as well. We have prominent politicians from the west who have every reason to support this kind of an initiative. Those politicians stem all the way from the Deputy Prime Minister to the House Leader from Calgary, from the deputy House leader to various members of Parliament in B.C., Saskatchewan, Alberta, including of course yourself, Mr. Speaker.

Canadian Airlines employees and the people related to that particular industry, all the employees, understand that we support their initiative. They know full well that their members of Parliament, particularly from the west and those cities from where the deputy House leader, the Minister of Agriculture and the Deputy Prime Minister come will have the full confidence and support of that power in cabinet to achieve their goals. They know that and I know that because that is the way it works and that is the way power works.

We will not get what is our due in the west if we do not use the power and the instruments that we have been given by those people to represent them. This is a good deal. In particular I have to state that the reason I support this initiative is because it gives the greatest incentive to keep the industry competitive, to keep monolithic approaches from becoming predatory on the consumers in terms of the kind of rates they would have to pay when they travel. Northerners for instance do not have the luxury as do other Canadians in choosing between accessible forms of transportation.

The northern economy, the tourism industry and the quality of life would be severely affected by a monopoly air merger. The north needs to have guaranteed airline competition. I am not in support of some of the components of the National Passenger Transport Commission's recommendation in terms of not being able to provide any kind of funding or assistance to Canadian Airlines or to Air Canada. I think that that has occurred in the past. In this one instance the industry, particularly this airline, is performing well. Both have debts. That is a fact. But we do not have the option in the north. We do not have other viable forms of transportation.

Most of the travel in the Northwest Territories is done by air. We do not have the luxury to choose. From the time that I was four or five years old, I lived in a bush camp. I used to look across to Norman Wells, which is a community that is a centre for travel. It has a large terminal for the Sarto region. In that particular area, looking across to that community, I would see in the olden days, fifties and sixties, Canadian Pacific come and go from that particular airport.

On this day I can go back to that same bush camp and what do I see? I see Canadian Airlines come and go. That is the history of our territory. We have a relationship with the people who work in that industry. We do not have the luxury of dissociating ourselves in any industry in the north from the people who we work with. On the planes, in the restaurants, in the cabs, in the homes and on the streets, we live in close proximity to one another. We are forced into a situation where we cannot dissociate our living working relationships as you would in large urban centres.

I really have to say that I am proud we have had this airline industry in our area for as long as I can remember. It has served us well. I really believe having asked the minister a question in the House on September 10 that I was sincere in trying to seek some kind of consensus.

I think that this private member's bill, Bill C-327, an act to assist employees to purchase a controlling shareholding in the corporation that employs them, is a very noble effort to address a very serious need. I have risen in the House on a number of occasions. I have lobbied other people to also support the employees' initiative. I cannot understand any one elected politician who comes from the west, Manitoba, B.C., Saskatchewan and Alberta, who would not support this initiative. This is absolutely necessary for the survival of the industry in the west.

We have to put forward the priorities of the people we represent. I do not only represent the people who live in the Northwest Territories. I represent the people who

come in and out and provide a service, like Canadian Airlines.

I think it is a great proposal. I think it is noble in this day and age. I think it is respectful and it is dignified that a group of employees would band together to come up with a proposal. It is not criticism without constructive input. It is something they have proposed. They are willing to put in money. They are willing to put in time. They are willing to put in energy and effort to save the airline. I really believe that we need this.

In the Northwest Territories we know that if we have one carrier we will be subject to a monopolistic situation that would force, because we have no other modes of transportation, our situation to a point where most people would not be able to afford to travel. Travel is not a luxury for these people. Travel is a necessity, for medical purposes, for work purposes.

It is extremely expensive to live in the Northwest Territories. We need this idea. The government has to support this deal. I urge the Minister of Transport to be innovative, to be fair minded and to accept the deal that has been put forward by the Canadian Airlines employees.

As a member from the Northwest Territories, Western Arctic, as a member from western Canada, and as a fair minded representative of all Canadians, I plead with the government to accept this proposal and to actualize what is in essence Bill C-327 for the employees of Canadian Airlines.

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Mr. Speaker, I would like to offer some brief comments on the comments just made by the hon. member for Western Arctic.

I would like to point out to her that I share her concerns about the airline situation in this country and specifically the Canadian Airlines situation.

I would like to tell her that it is not the participation of the employees, or the project for the employees to participate in the survival of the company that creates some problems. On the contrary. It should and it would help the situation. It is the other part of the financial package that is being put together that causes some concern to the government and that the government is really looking at.

Also, I would like to offer to her that even without Bill C-327, it would not prevent the employees of Canadian Airlines from participating in their company. I would like to share some comments I have and some concerns I have with the House and with my hon. colleagues on Bill C-327.

[*Translation*]

As the hon. members know, Bill C-327 recommends that government encourage employees to take an economic interest in the corporation that employs them.

This motion—and let us not forget it—would amend the Income Tax Act to allow for a deduction from taxable income for 50 percent of the employee's and employer's net investment in an employee share purchase program, as well as the interest earned by a financial institution on loans to such plans.

To qualify for these tax preferences, the employees have to take over the employing corporation. But first, I would like to thank the hon. member for raising the issue of improved employer-employee relations. It is a well-known fact that work relations improve when employee participation in the corporation increases.

Government recognizes that co-operation between the two groups improves Canadian businesses competitiveness and thus the growth of our economy in the long term.

• (1600)

As hon. members probably know, in 1984 the previous government proposed in a publication entitled "Gain Sharing for A Stronger Economy" a plan which would have provided, for the payment of employees, a tax credit shared between employers and employees according to a percentage of the profits.

As with most employee ownership plans, the objectives of that one were to improve labour-management relations and to increase labour productivity.

You will also recall, Mr. Speaker, that labour and management groups were against that proposal. After a careful examination, the government of the day rejected it.

This is not at all surprising, considering the objectives that the government pursued subsequently with its tax reform. One of those main objectives was to promote decisions what could stimulate the economy instead of giving particular tax incentives. That objective was at-

tained by the elimination of many incentives which, often, were open to only a small group of taxpayers.

Also many deductions were eliminated or replaced with credits. Then the broadening of the tax base had the effect of reducing tax rates. Thus many Canadians, mostly older people or low income people, had their tax liability reduced.

Bill C-327 will defeat that objective because it would effectively promote the use of public funds to the benefit of a small group of individuals who want to take control of the business that employs them.

Considering the importance of controlling the deficit, it would become necessary to increase taxes of all other Canadians in order to support the employee share ownership plans. In that respect it is important that hon. members realize that what Bill C-327 proposes is, to some extent, a redistribution of income.

But more important, the tax reform greatly helped to reduce tax incentives which had the effect of distorting the economic decision-making process. The broadening of the tax base and the reduction of tax rates, by helping to eliminate the incentives which distorted investment decisions, promoted long-term economic growth.

Moreover not only are these initial deductions distorting economic decisions, but the national and international experience shows that a large part of these tax incentives is given to people for something they would have done anyway. Therefore we are using considerable revenues to encourage a minimal additional activity.

At a time when government is trying to use wisely its scarce resources, it does not seem to me appropriate to implement such a plan. As hon. members know, interest on the federal debt will amount to $43.2 billion this year, that is 27 cents per dollar of budgetary expenditures.

Every dollar added today to the deficit increases the debt burden of future generations. It is therefore very important that we reduce the debt. We will succeed only by controlling expenses and protecting fiscal revenues.

The impact of Bill C-327 on the deficit would be significant as the generous fiscal treatment could encourage a large number of companies to restructure the remuneration of employees in such a way as to take maximum advantage of the incentive.

In some cases, financial participation of employees in their company can increase productivity and therefore stimulate the general economy. This is why our fiscal system already encourages such measures. In particular, the government is strongly backing the financial participation of employees through labour sponsored venture capital corporations. The preferential treatment given these corporations has been further improved in the last budget. Employees are also benefiting from special privileges when they are given options to buy shares by their employer.

Combined with the generous lifetime capital gains exemption, these programs are a powerful incentive to employees to buy shares in Canadian companies without distorting on investment decisions.

As we said during the last budget, the government would rather rely on the strong principles underlying the labour sponsored venture capital corporations which are prohibited from investing in a single company. This provision is based on the old adage which advises not to put all the eggs in one basket. In the case of the proposal of Bill C-327 the eggs are not only the worker's investments. They are also his job.

I believe hon. members will agree with me that it would be inappropriate for the government to encourage individuals to take such risks.

I think I speak for a large number of Canadians when I say that increased productivity and better labour relations are key elements to the success of our great country. However, I fear that Bill C-327 will not help in that matter. Not only will it be costly and unfair but also it might not achieve what it was meant for.

I thank you, Mr. Speaker, for the opportunity to deal with this issue in this House. I hope my hon. colleagues will find the information I gave them useful in judging the merits of Bill C-327.

[*English*]

Mr. Phillip Edmonston (Chambly): It is with a great deal of pleasure that I rise today to speak on Bill C-327, presented by my NDP colleague from Sault Ste. Marie.

This bill has come at the right time. It is a private member's bill which speaks to the problem that employees have in buying into a company which many times may be in difficulty and the employees want to actually save the company.

I should bring to the House's attention that this is not a rare occurrence. There is legislation which in effect permits employees to buy into a company and actually become the owners of a company. I can give you the example of Weirton Steel in Ohio which was to be closed in 1982 because, of course, of low profits—remember the 1982 recession. The employees decided to buy into the company and actually purchased the plant entirely. Finally what they succeeded in doing was turning that company around, and that meant that the owners of the company reaped the benefits of having turned it around after it was about ready to go into bankruptcy.

But something closer to us, in Kapuskasing, Ontario there was a recent success in an employee buy out, where Spruce Falls Power and Paper Company reported a $2 million profit between December 1, 1991 and June 30, 1992. Before that time, before the employees had bought it out, it was in a deficit position.

It makes me think that perhaps we should have the employees buy out this government. Maybe we would have the country finally running in a profit-making position. I do not know, but maybe that is called an election. Maybe the federal example for an employee buy out is an election. In any case, in other jurisdictions employee buy outs have been very successful,making it easy for employees to buy a company is nothing new. We have had that in Quebec for a long time now thanks to a piece of legislation called the Co-operatives Act which allows employees to buy a company, whether it is in financial trouble or not.

[*Translation*]

I feel that the idea behind this private member's bill presented by my colleague from the NDP makes a lot of sense. I think that my friend opposite does understand what I mean by that. It makes a lot of sense to let employees buy a company if they so desire and to make it easier for them to do so. That is exactly what Bill C-327 is all about.

I would like to draw the Chair's attention to the fact that this common sense approach could be applied to the airline industry. However, this bill is no panacea. We must not kid ourselves and believe that employees working for airlines such as Canadian Air or Air Canada will be able to buy those companies. It is too much money, it is impossible. For my part, I think that as a government we must be extremely cautious before even considering giving one penny to either Canadian Air or Air Canada. We have to be cautious because I am convinced that giving money away, $300 million here, $300 million there, will end up being a disservice to Canadians. Therefore, in that respect I am extremely conservative, and I must apologize for using this term. I am not sure I would be prepared to invest taxpayers' money to take an active interest in an airline.

• (1610)

Mr. Boudria: Watch your language.

Mr. Edmonston: A word like conservative in the mouth of my friend from Glengarry—Prescott—Russell.

Good old common sense is indeed very important because we may be a tad too partisan in thinking that, if it is coming from the other side of the House, an idea is no longer valid. As a matter of fact, I wanted to say, in the two minutes I have left, that good ideas were put forward. Even from the other side. Perhaps my friend from Glengarry—Prescott—Russell could acknowledge that regarding the official languages, for example, as he is no doubt aware, government commissioned a study on the subject.

[*English*]

I will say it in English because I think it is of particular importance to our English speaking listeners and viewers. The government, with the armed forces, has commissioned a study looking at the translation of documents and the use of French in the armed forces. That study has come out saying that we had better use common sense.

There have been occasions on which we have had $100 million spent for translation of technical manuals for the frigates that were being built on the east coast of Canada. That was a waste of money because even the francophones, the French speaking engineers, and other people on this project were not happy with the transla-

tions because it came too late in French and they were not familiar with the French terms.

I do like what the government has done this time. The government report said we will use common sense and if we need to have the English translated into French we will have a French person in that district decide whether it is really practical. That is the common sense approach I appreciate in which we do not waste taxpayers' money. I wish to congratulate the government, particularly the minister of defence, for having commissioned this study and I hope the government follows through on this study.

However, I would like to also compliment my colleague for his private member's bill, Bill C-327. I think it is using the same kind of common sense approach to studying a very serious problem; that is, employee participation in companies, allowing employees to participate in an active way by buying out companies. Who actually knows more about a company's operation but the employees who work on the ground floor?

Once again I wish to compliment my colleague and thank the Liberal and the Conservative members of Parliament who spoke to this bill. It is a very important bill and I hope we pass it.

[*Translation*]

M. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, I think the NDP member should be congratulated because this is a common sense measure, legislation encouraging employees to buy shares in their employer's company. The reason I want to say a few words on this is that I had the honour to represent the Papineau riding at the provincial level and I developed an interest for this kind of program allowing employees to buy the company they were working for, for whatever reason. I remember, at that time, asking the American Embassy for information because the U.S. had implemented similar legislation. Their plan was called ESOP, the Employee Share Ownership Plan. According to the bill adopted by the American Congress, employees could invest in their company enough to acquire a majority of the shares and the government helped the employees buy the company. Therefore, it is a very logical, down to earth measure. In the U.S., they called the results of the ESOP program: "People's Capitalism". It is people's capitalism if you wish; it is very simple. Employees have the opportunity, with the help of the government, to buy a company either because it is having a hard time or because it is about to close down; whatever the reason, employees can buy the shares.

The advantage of all this is that after two years, the American Senate requested a report on that program; after all, the government did invest millions of dollars.

Much to their surprise, they realized the productivity in employee owned companies increased, not only by 10, 15 or 20 per cent, but even by 150 per cent in some cases. That goes to show that when employees can influence company policies and implement measures to increase próductivity it works. Why? It is all very simple. When you own the company, when your input or your contribution will show up on you pay cheque then you will certainly do everything you can to increase productivity.

I wonder why such a bill was not introduced before. I think we made a step in the right direction by doing so today. We know miracles never happen in this House. We come up with projects and ideas, and it all takes time. Our friends on the other side, they are few and there will be fewer in the future, do not realize that is the way to go. If people are ready to invest in their own future, I think we will get extraordinary results. The timing is excellent and I think this bill will be studied in committee. The government may not be ready for such measures, but I know one thing: whatever the future holds for us, people want to contribute to the prosperity of our country. The best way to prosper is to have a vested interest in success, and to profit from it. This bill makes a lot of sense. It is very sensible and its time has come.

I just want to add that it has been tried in the United States. I have some results here. Yes, I have, I asked the American embassy for documentation a few years back. We can see how successful it was in the States, and I know we can achieve the same results, if not better, here.

Mr. Speaker, I want to thank you for the few minutes you gave me. I hope this bill is a good start, that one day it will become reality and play a major part in rebuilding our economy.

[*English*]

The Acting Speaker (Mr. Paproski): I am going to be recognizing the hon. member for Sault Ste. Marie and in doing so, under Standing Order 44(3), in all cases the Speaker shall inform the House that the reply of the mover of the original motion closes the debate, there will be no further speakers.

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, I appreciate the words of the member for Papineau and my colleague from Chambly. I must extend my thanks to the government side as well for allowing this bill to go forward at second reading to a legislative committee. It is very personally gratifying to have that co-operation among the three parties. As we all know we do not see it too often. Therefore, I do appreciate the co-operation from the two other parties and of course from my own colleagues.

As the member indicated, this is a concept that is not new. It is very much alive in the United States and in Europe. Its time has come. Of course our perspective on this is that Bill C-327 employee ownership is social democracy in action. Some people say that social democracy is dead and we say it is not. This is one way that we can show in a very positive way that employees, employers and governments can participate and effect change in the workplace.

Bill C-327 was brought about because of the Algoma Steel Corporation. We went through a great deal of distress in the community and there was some urgency. There was a crisis, that the entire company would close and many thousands of people would be put out of work. However, again co-operation from the Ontario government and federal government spearheaded by the union and sacrifice on the part of the workers brought about an employee majority ownership of the corporation.

I want to say that the Algoma Steel situation prompted the bringing forward of this bill. Since that time the model of this bill could be used in a whole host of other cases.

I think legislation is necessary to treat the potential closings of industries and large and small businesses across this country. Rather than governments having to deal with them on a piecemeal basis, on a one-by-one basis in a crisis situation in a day-to-day situation, it is imperative that we deal with it in a logical, comprehensive way and I think this legislation is a start.

I am very much accepting of the fact that when it does go to committee, amendments may in fact be in order. This bill deals with majority ownership, but I think it is imperative that partial ownership be recognized. Maybe that is the route to go.

I look forward to what will happen at committee that I understand has to be struck within five days. I look forward to some expediency in this matter because each and every day there are new considerations by new people, new businesses or businesses that are in difficulty.

I cite the Balmer mine in British Columbia that presently is undergoing this consideration. There is a company called Rexdale in Haileybury in northern Ontario where the process failed because there was no legislation in place.

I think the time has come to thank people from across the country, both individuals who have signed petitions and people who have given quite good support from across the country, so there is widespread support for the concept if not the specific bill.

We have had petitions in from Newfoundland, St. John's and Mount Pearl; in Ontario, Sault Ste. Marie, St. Thomas, Brampton, Keewatin, Thunder Bay, Ottawa, Kemptville, Wawa, Kenora, London, Longbow Lake, Nepean, Stratford, Clarence Creek; in Quebec, Val-des-Monts, Gatineau, Aylmer; Regina, Saskatchewan; in B.C., Chilliwack, Sardis, Port Alberni, Nanaimo, Vedder Crossing, Cultus Lake; in the Northwest Territories, Yellowknife.

There is, indeed, widespread support. As far as business goes, the Chamber of Commerce in my city supports it. The Algoma Steel Credit Union, in labour CUPE local 5; Hamilton, Transportation and Communications Union of CLC; Port Alberni and District Labour Council; St. Thomas and District Labour Council; the city of Sault Ste. Marie; Saskatchewan Economic Diversification and Trade; Saskatchewan Minister of Labour and the British Columbia Labour and Consumer Services under the signature of Moe Sihota, support it.

There is indication that the country and the residents of the country are prepared to address this. Once again I want to thank the government for allowing this bill to go forward to committee in the very near future.

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

Some hon. members: Question.

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

Some hon. members: Agreed.

Motion agreed to, bill read the second time and referred to a legislative committee in the Economics envelope.

The Acting Speaker (Mr. Paproski): It being 4.23 o'clock p.m., this House stands adjourned until Monday next at 11 a.m. pursuant to Standing Order 24(1).

The House adjourned at 4.23 p.m.

HOUSE OF COMMONS

Monday, November 23, 1992

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*English*]

AUTOMOTIVE POLLUTION REDUCTION ACT

MEASURE TO ENACT

The House resumed from Monday, June 15, consideration of the motion of Mr. Ferguson that Bill C-226, an act to reduce automotive pollution, be read the second time and referred to a legislative committee in the Natural Resources envelope.

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I am happy to have an opportunity to discuss the health aspects of the issues raised by Bill C-226, namely the continued use of the manganese containing gasoline additive MMT, or its substitution.

Our experience with lead additives showed how a seemingly unimportant decision to use a specific additive can have far-reaching health consequences. The ultimate gasoline additive is one that is appropriate both technically and from a health and environmental point of view.

MMT was introduced into the Canadian and U.S. markets in the mid-1970s for use as an octane booster in both leaded and unleaded gasoline. In 1978 the U.S. Environmental Protection Agency banned its use in unleaded gasoline for reasons unrelated to health.

It had been found to slightly reduce the efficiency of the catalytic converters then available for vehicles running on unleaded fuel. At that time there was no concern about possible adverse health effects and it has continued to be used in leaded gasoline in the United States.

Also in 1978 Health and Welfare Canada conducted an assessment of the potential health hazards of MMT and its products of combustion, manganese oxides. It was concluded that the expected increase of airborne manganese due to MMT under worse case conditions would not be a hazard to health based on the evidence available at that particular time.

In 1985 the Royal Society of Canada's commission on lead re-examined the health implications of increased manganese oxides from MMT with the then proposed phase out of lead additives. The commission noted that the increase in intake via inhalation was small even by comparison to intake from other sources of manganese, and was minute by comparison to intake from food. There was a wide margin of safety between the small extra intake due to MMT and any adverse effects on the nervous system noted in animal or in human studies.

National Health and Welfare has continued to assess MMT and monitors any new information on exposure and health effects. The recent application in 1990-91 by the manufacturer of MMT to the U.S. Environmental Protection Agency for permission to reintroduce MMT into the unleaded gasoline was rejected, again because of concerns about conflicting data on hydrocarbon emission increases and catalyst deterioration. Health issues and concerns were not cited as the reason for the decision.

Much of this concern is rooted in the fear that because manganese is another heavy metal like lead, use of manganese could lead to a repeat of the same kinds of contamination and health problems associated with leaded gasoline additives.

• (1110)

Airborne lead from gasoline combustion was a major source of exposure for young children. The majority of daily intake was indirectly attributable to airborne lead and was due to the lead deposited near roadways, on the

soil and the plants in urban areas. This point has been raised as a potential concern with manganese. However, unlike lead, manganese is abundant in soil and is naturally present in high amounts, several hundred times the amount deposited by combustion of gasoline containing MMT. In addition, ingested manganese appears to be well handled by the human body.

There are some critical differences between lead and manganese. Manganese is an essential element, required in fairly large amounts every day to maintain our health. This means that there is a threshold below which there will not be any toxicity, and we do not have the same concerns about exposure to trace amounts in the environment.

Manganese intake, metabolism and excretion are generally efficiently controlled by the body, and manganese is not stored for many years in the body in the way observed with lead.

In contrast, lead has no known biological function. It is a general cell poison. It is highly toxic at extremely low dosages. In the last 20 years we have witnessed a continual lowering of the blood lead level considered to be a health concern for children.

At very high doses manganese like lead is a severe neurotoxin. The question for us today is, how high is too high? In miners, smelter workers, those exposed to 50,000 or more times the normal air levels of manganese, mental disturbances, slow clumsy body movements, speech disturbances and muscle rigidity similar to Parkinson's disease, have been cited. This is a condition called manganism. Somewhat lower levels, around one milligram per cubic metre, have resulted in the first signs of brain damage, including fatigue and hand tremors in exposed smelter workers. Since typical air concentrations in Canadian cities are about 20,000 times lower than this, 0.04 micrograms per cubic metre, neurological damage is not a health effect of concern at normal levels. This conclusion is supported by the U.S. Public Health Service in a 1991 report.

There are, on the other hand, some important differences between lead and manganese which decrease our certainty about the effects of manganese. While lead appears to be equally toxic whether ingested in food or inhaled from air, manganese appears to be much more toxic when inhaled. This has created a lot of concern and has also led some people to discount the information on safe levels of intake gained from ingestion studies. Too much manganese is toxic, regardless of its route of entry into the body.

We are all exposed to manganese in both air and food. Under normal circumstances, as in most Canadian cities, airborne manganese is extremely low, and we breathe in about a microgram of manganese each day from the air. On the other hand, we take in somewhere between 2,000 and 9,000 micrograms per day from our food. Absorption is very much higher via the lungs than it is via the gastrointestinal tract, probably between 10 and 30 times higher. But the amount to which we are exposed via air is so much lower that the effects of increased lung absorption are really wiped out. Therefore it is extremely unlikely that the small amount taken in by inhalation is going to have any measurable effect.

Special groups in the population who take up more manganese on a body weight basis than most include infants, youngsters, pregnant women, people who are anaemic, or have calcium, protein or other deficiencies. In these cases the contribution for inhalation is really dwarfed by the contribution from food.

Infants and children have been singled out as a particular risk for manganese because of their undeveloped metabolic processes which allow about 100 per cent absorption and zero per cent excretion for the first few weeks of life. This is a normal pattern and MMT derived manganese would be a very small portion of the total. There is no evidence that this group is particularly susceptible to brain damage from manganese, unlike the case with lead.

The elderly may be susceptible to this type of damage but we lack the knowledge about both susceptibility and differences in metabolism in this particular group.

In conclusion, our experience has shown us that there are not too many health effects at this particular point in time. I would like to recommend that this bill not be supported at this particular time. There is no need from a health perspective to phase out MMT and replace it.

Mr. Bob Kilger (Stormont—Dundas): Mr. Speaker, I am very pleased to take part in today's debate on Bill C-226, an act to reduce automotive pollution. I would like to commend my hon. colleague, the member for Lambton—Middlesex for initiating this private members' bill, which I believe is deserving of the support of this House.

The Liberal Party has consistently supported the need for Canada to develop alternative fuels instead of relying solely upon non-renewable fossil fuels. In 1984, the then Liberal Minister of Agriculture, the hon. member for Lambton—Middlesex, the same individual who is sponsoring today's bill, stated: "The federal government supported alternative energy sources and was prepared to implement a program for the development of ethanol blended fuels in Canada".

In addition, on April 17, 1991 the Leader of the Official Opposition called upon the federal government to introduce legislation to support the use of ethanol and ban the gasoline additive referred to as MMT. The hon. member also indicated his personal support for a 3.2 per cent oxygen content in Canadian gasoline.

Bill C-226 is designed to reduce pollutants that are released into our environment by automobiles. To accomplish this reduction, clause 3 of the bill would prohibit the sale, importation or production in Canada of any gasoline that had an oxygen content of less than 3.2 per cent by weight and contained the substance MMT.

Increasing the oxygen content will make gasoline burn cleaner as it causes a reduction in carbon dioxide and carbon monoxide while also reducing other organic substances or residues. In addition, by eliminating MMT, a danger to public health would be removed from our atmosphere. MMT is believed to mix with blood in humans and attack brain cells when absorbed into the respiratory system. With evidence suggesting that MMT poses a health risk, I am sure many Canadians would like to see it banned in Canada.

Since 1978 MMT has been banned in the United States. MMT is a suspected neurotoxin that is believed to lead to diseases such as Parkinson's. In addition, the use of MMT in our gasolines increases hydrocarbon emissions by up to 27 per cent. Clearly we can do without MMT in Canada.

We can get rid of MMT and also obtain a 3.2 per cent oxygen content in our gasoline. By using a 10 per cent ethanol blended gasoline we can significantly reduce CO, CO_2 and N_{ox} emissions. A 10 per cent ethanol blend would reduce carbon monoxide by 25 per cent, carbon dioxide by 5.9 per cent, nitrous oxide by 5.7 per cent volatile organic compounds by 8.5 per cent and ground level ozone by 5.3 per cent.

Aside from eliminating a significant amount of pollutants from the air and removing MMT, there are other advantages to be obtained by using a 10 per cent ethanol blended gasoline. By blending we can help conserve our non-renewable sources of fossil fuels. In addition, as fuel ethanol is manufactured from renewable biological feedstock such as corn, barley and wheat, the supply is virtually unlimited.

• (1120)

Another major point concerns the present economic difficulties facing Canadian grain growers. With historically low prices for their crops farmers would certainly welcome the market ethanol would provide. With producers experiencing problems with marketing their grains at prices which meet their production costs, an increase in demand for ethanol would be financially beneficial for farmers.

In my riding of Stormont—Dundas a considerable amount of interest and work went toward the establishment of an ethanol plant in Ingleside. I certainly want to congratulate the Seaway Valley Farmers Energy Co-operative for its work in trying to create a grain fed ethanol plant.

I also want to recognize and commend Mr. John Cleary, MPP for Cornwall, and Mr. Noble Villeneuve, MPP for SDG and East Grenville, for their commitment to this project.

On a related matter there is a hope, as Ontario corn farmers face the worst harvest conditions experienced in 20 years, that everything will be done by the federal government to assist farmers in avoiding serious financial problems.

This matter was raised in the House on Friday by my colleague from Prince Edward—Hastings. I hope we will soon see some action taken by the government to help address the cash flow problems of producers who are not able to harvest and sell their corn to meet fall debt obligations.

I believe the government should indicate at the earliest opportunity that it will permit advance payments to be issued for corn left standing in the field under the Advance Payments for Crops Act program and the associated Cash Flow Enhancement Program.

It is clear that Bill C-226 is attempting to provide cleaner and safer air for Canadians. There is no doubt the reductions in noxious gases and toxins that using ethanol blended gasoline would accomplish. We have an opportunity before us today for this House to give its support to a very worth-while piece of legislation.

I know members opposite are supportive of the environment. In addition, I am aware how the Parliamentary Secretary to the Minister of Agriculture is very much in support of ethanol blended gasoline. One cannot pick up a story in the media on ethanol without seeing either the hon. member for Lambton—Middlesex or the hon. member for Huron—Bruce pictured in it.

By supporting this bill we can take a step forward for our environment, our health, our farmers, our natural resources and, above all, our future. We can also display once again that Canada is the leader in environmental protection and technology.

It is important for us to remain at the top as it can mean millions for Canada. At present considerable work in the area of biological renewable fuels is being conducted throughout the world. One example is in Germany where a test car has been developed with a rapeseed oil powered engine.

I am pleased to support Bill C-226. I also recognize its importance in opening up the expanded and highly beneficial use of alternative fuel for Canadians and Canada. Bill C-226 supports our environment and calls for a ban on MMT.

I believe Canadians would appreciate the onus being placed on MMT to prove it is safe rather than for others to say it is not. Nonetheless, MMT is being used without adequate and irrefutable evidence to substantiate that it is indeed safe and therefore should be banned. The time has come to say no to MMT.

In conclusion I want again to commend my hon. colleague from Lambton—Middlesex on this legislation which seeks to make Canadian gasoline the cleanest burning and least polluting in the world. I would like to ask members of this House to give it their support.

Mr. Stan Darling (Parry Sound—Muskoka): Mr. Speaker, I am pleased to have the privilege to speak in this Chamber on Bill C-226, an act to reduce automotive pollution.

Before addressing the specific issues of Bill C-226, I would like to say a few words about automotive pollution, what this government has done and, more important, will be doing about automotive pollution.

Automotive pollution is the single biggest factor contributing to the formation of smog in Canadian cities. Under the green plan, this government's comprehensive environmental agenda for tackling Canada's pollution problems, the Minister of Environment announced a $30 million initiative to combat urban smog.

Another initiative will see the Minister of Energy, Mines and Resources undertaking measures to initiate a further round of fuel efficiency targets for new vehicles, an important element in the government's plan to stabilize the emissions of greenhouse gases.

Certainly Canada has launched a number of initiatives to limit pollution from motor vehicles. We have eliminated the use of lead additives in gasoline. No longer will we have to worry about the potential threat to health, especially to the health of our young children, that the presence of lead in gasoline posed.

We are currently assessing ways to reduce the sulphur contents of diesel fuel which, when used with more technologically advanced engines, will reduce the emissions of particulate and black smoke emanating from large trucks and buses.

Our standards for the exhaust coming out of the tailpipes of our cars and small trucks are among the most stringent in the world. These standards set strict limits for nitrogen oxides which contribute to acid rain and are key components in the formation of smog. They also set limits on the amount of hydrocarbons, another major contributor to smog that cars can emit, and on carbon monoxide.

On February 20 of this year my colleague, the hon. Minister of Transport, signed a memorandum of understanding with Canadian car manufacturers and with car importers to establish striker standards which will come into effect in 1994.

We are committed to protecting the Canadian environment. We are moving forward on a number of fronts, including a comprehensive agenda to further control pollution from motor vehicles. This includes fuel quality as well as new vehicle emission standards.

Bill C-226 has two major purposes. First, the bill would require that all gasoline in Canada contain as a minimum 3.2 per cent of weight oxygen. This minimum percentage effectively favours the use of ethanol over other oxygenates such as methyl tertiary butyl ether, or MTBE. Ethanol is an alcohol that can be derived from grains or biomass. When blended with gasoline it acts as an octane enhancer. Even as I speak, the hon. Minister of Energy, Mines and Resources is making a major announcement in Saskatoon to encourage the production and use of fuel ethanol in Canada.

The environmental benefit of blending ethanol with gasoline is that it leads to reduced emissions of carbon monoxide. Depending on the biomass and processes used for making the ethanol, ethanol may also offer an over-all reduction in carbon dioxide emissions, one of the principal greenhouse gases.

The Canadian government, in its desire of establish a biofuels industry and a level playing field for oxygenated fuels with other alternative fuels such as propane and natural gas, effective April 1 of this year, removed the federal excise tax of 8.5 cents per litre on the ethanol portion of the fuel produced from biomass. The removal of this tax is an incentive for the marketplace to determine the range and extent for the manufacture, use and distribution of these fuels.

Carbon monoxide emissions from motor vehicles are highest during the winter months because it takes longer for the engine and catalytic converter to warm up and function efficiently. In the United States the use of up to 2.7 per cent by weight oxygen in gasoline has been mandated during the four winter months in areas where levels of carbon monoxide exceed the ambient air quality standards.

• (1130)

There is, however, concern that gasoline blends with over 2 per cent by weight oxygen can lead to increases in emissions of nitrogen oxides, thereby contributing to the formation of smog. Smog is a summertime problem in many parts of Canada. Certainly given the initiatives to reduce smog in the United States, this would not be desirable.

Based on these facts Bill C-226 which calls for a minimum 3.2 per cent by weight oxygen in gasoline year round cannot be justified on its environmental benefits.

The second part of Bill C-226 calls for a ban on MMT, a manganese additive used in gasoline as an octane enhancer. In Canada the use of MMT as an octane enhancer is allowed in unleaded gasoline up to a maximum of 18 milligrams of manganese per litre. In the United States the use of MMT in unleaded gasoline has not been allowed since 1978, although it continues to be used in leaded gasoline.

The use of MMT in gasoline has been the subject of a number of studies in three major areas: the health effects of manganese released into the environment with combustion, the effect of MMT on hydrocarbon emissions, and the effect of MMT on catalytic converters.

Health and Welfare Canada has concluded that the use of MMT at current levels does not pose a threat to human health. Air quality data has not shown an increase in the concentration of manganese in the air over the last number of years.

A very comprehensive review by the Ethyl Corporation showed that emissions from cars fuelled with gasoline containing MMT have reduced amounts of nitrogen oxides and increased amounts of hydrocarbons when compared to vehicles fuelled with MMT-free gasoline. The emissions met the prevailing tailpipe standards and there was no observable effect on the performance of the catalytic converters.

A less extensive review by the Ford Motor Company shows a much higher increase in the hydrocarbon emissions due to MMT and no reduction in the emissions of nitrogen oxides. Deterioration of the catalytic converters was also observed.

After reviewing both studies, the United States Environmental Protection Agency denied a petition by the Ethyl Corporation to allow the use of MMT as an octane booster in unleaded gasoline but continues to allow its use in leaded gasoline.

It should be recognized that an MMT induced increase in hydrocarbon emissions will become a more important consideration in 1994 when, as mentioned earlier, more stringent vehicle emission standards will come into effect. Generally the government's role is to identify standards to meet environmental quality objectives.

Our intervention to regulate fuel quality should only be where no other mechanism will achieve the desired result, such as our intervention with lead through the

voluntary co-operative efforts of the fuel suppliers and motor vehicle manufacturers. Specifications for fuel quality are developed to ensure that appropriate fuels are available throughout Canada. This market based approach has proven effective and therefore the government will continue to support and facilitate these efforts.

In closing let me emphasize once more that we cannot support this bill because, first, mandating the use of 3.2 per cent weight oxygen in gasoline year round is not justified on the basis of environmental benefit. The existing data on the effect of MMT on exhaust emissions and catalyst efficiency are inconclusive. According to Health and Welfare's assessment, there is no evidence of any adverse health effects related to the use of MMT in gasoline. The benefits of removing MMT and adding oxygenates to gasoline should be addressed as well as development of a comprehensive strategy on fuel quality. The development of such a strategy should involve fuel producers, engine and vehicle manufacturers and government regulatory and fuel standard setting agencies.

Mr. Maurice Foster (Algoma): Mr. Speaker, I welcome the opportunity to say a few words this morning on Bill C-226 of the hon. member for Lambton—Middlesex. I congratulate him on bringing forward this bill. The operative clauses are fairly simple but the implications for Canadian agriculture, the environment and for health and safety are very large and extensive for our country.

I want to comment on the speeches of the two previous speakers, the member for Calgary Southeast and the member for Parry Sound—Muskoka. The parliamentary secretary has gone into some detail to try to justify the use of MMT in Canadian fuels. Yet it is clear that the United States is not moving away from its ban on MMT.

I have in my hand a document put out by the Department of Health and Human Services from the National Institute of Environmental Health Science in North Carolina, in which the director, Dr. David P. Rall, a physician and a Ph.D., outlines to some extent the very grave concerns that agency had with the use of MMT when it was proposed that it be reinstated. On June 7, 1990 he outlined in some detail the concern about the toxic effects, the absorption effects through the skin and the impact on the central nervous system in great detail. Clearly the United States is not moving away from the ban it has placed on phasing out MMT.

With regard to the comments by the hon. member for Parry Sound—Muskoka, he mentioned that the minister of energy is making a major statement in Saskatoon this morning. I must say that in my view is totally unacceptable. We have a major piece of legislation before the House this morning. If the minister is going to be making a major statement with regard to the use of ethanol, it should be made in the House of Commons, not at a press conference in Saskatoon. I would hope that when the minister returns to the House he will explain why he did not make the major statement here. This is the Parliament of Canada. This is where statements are supposed to be made on matters that have an effect on our economy, the environment, health and safety and transportation of fuel supplies in this country, not at a press conference in Saskatoon.

On Friday we received a beautiful, thick, glossy booklet put out by the Department of the Environment which outlines programs and activities that the government is involved in. In the section on agriculture there is one page entitled "Sustainable Agriculture". This is the entire content on agriculture in that booklet.

It is interesting to hear government members talking about the importance of moving to sustainable agriculture, the use of ethanol and renewable fuels and so on. However, in this document put out by the Department of the Environment there is not a single mention of the use of ethanol, even though the government did take the initiative of reducing the excise tax 8.2 cents per litre this past spring. We are very appreciative of the government making that initiative, but we have not seen it followed through by other action.

• (1140)

The bill before us this morning, Bill C-226, does principally two things. It requires that gasoline have 3.2 per cent oxygen by weight. The best way to do this is through the use of ethanol. It also removes or bans the use of MMT because of the health concerns that this chemical has caused and the fact that it has been banned in the United States for many years.

The implications of these two actions as proposed in the bill by the hon. member for Lambton—Middlesex are very extensive. They reach far beyond those two little clauses in the bill. The impact is on the environment, to

reduce the production of carbon dioxide, which has been a major concern and major target in reducing the impact of the greenhouse effect. The impact of banning MMT has wide implications for health in our country. In many areas of the United States they are moving rapidly to eliminate MMT. They are using ethanol and other forms of chemicals as octane enhancers.

The impact of moving to the use of ethanol in our country would be very extensive for agriculture. It is estimated that it would take between five million and eight million tonnes of grain. Whether it was feed wheat in the west or corn in Ontario, the implications of that are very extensive. We only have to look at our largest export markets: some four million or five million tonnes to Russia and the other Russian republics. Therefore, you are talking about something that would be larger in terms of the use of our western grains than any one of our single exports of grain. This of course would have a profound impact on diversification of Canadian agriculture.

I had the opportunity last spring to visit the Lanigan ethanol plant east of Saskatoon. It is a tremendous facility, producing some 10 million litres of ethanol. It utilizes some one million bushels of grain and, at the same time, it uses the material that is left over after the ethanol process has taken place to feed some 15,000 head of cattle. It is a major agriculture diversification facility.

The government should be moving on this immediately. By 1995 it is estimated that we will be importing some 500,000 barrels per day of light crude. Surely if we can replace a large percentage of that with the use of our own ethanol made from our own biomass, but principally grain, feed wheat and corn, we should be doing it. The foreign exchange implications are very great.

This bill would achieve all of these things. We hope that the government will move in this direction and that it will adopt this legislation because the impacts would be very great and very useful for our country. This bill would achieve all of these things.

However, there needs to be a commitment by government to more research and development and to reducing the cost of production. There needs to be a public commitment by the government to the use of these fuels because of the impact they will have on agriculture, diversifying our economy and, of course, public health and the environment.

I hope the government will reconsider the position that it has taken here this morning as set out by the two government members who have spoken. The impact could be very beneficial for our country if the government were to adopt Bill C-226 which has been brought forward by the hon. member for Lambton—Middlesex. I certainly hope the government will reconsider and send this bill to committee for analysis and further study, and ultimately for implementation.

Mr. Len Gustafson (Parliamentary Secretary to Prime Minister): Mr. Speaker, I appreciate the opportunity to say a few words on this bill, particularly as I am a farmer and know of the developments on ethanol in the Lanigan area which the hon. member just mentioned. It is east of Saskatoon where the minister of energy is making a very important announcement today. Our government has removed the taxation on ethanol and taken a very balanced approach to this whole area.

Proposed Bill C-226 would set a minimum allowable content for oxygen in gasoline and ban a manganese gasoline component, MMT, which is currently in widespread use in Canadian unleaded gasoline.

Is this kind of legislation acceptable in Canada? What is the environmental objective of the bill? Is it reasonable to pre-empt a comprehensive review of gasoline specifications and environmental impacts under way in Canada and the United States by pronouncing on one of several possible specification changes?

Federal departments are currently involved in reviewing all aspects of gasoline formulation. Further research on the air quality impacts of oxygenated fuels is required in the context of the examination of changes in several components of gasoline. This is a very complex subject with large potential impacts on the economics of the refining industry, the cost of gasoline, and air quality in urban areas.

The first part of this bill proposes to prohibit the sale in Canada of gasoline that does not contain at least 3.2 per cent oxygen, ostensibly to reduce automotive pollution. This minimum allowable oxygen content could be met using ethanol as a gasoline blending component and might also be met with the use of MTBE, but at higher blending volumes than commonly used for MTBE. However, since over 18 per cent of MTBE is required to meet 3.2 per cent oxygen content, which exceeds the

amount of MTBE currently allowed, the use of ethanol to meet this oxygen content might be more likely.

A minimum allowable oxygen content of 3.2 per cent in gasoline, therefore, would favour the use of ethanol in an attempt to create a new industry in Canada as well as a secondary market for grains. What will be the effect of requiring this high level of oxygen content in Canadian gasoline?

Oxygenates in gasoline have been found to reduce emissions of carbon monoxide. However, at levels greater than 2 per cent, oxygenates have also been found to increase tailpipe emissions of oxides of nitrogen. These nitrogen oxides react with hydrocarbons to form ground level ozone, a cause of smog.

Depending on how the oxygenates are blended into gasoline, there is also risk of increased hydrocarbons emissions, the other component required for ozone or smog. So depending upon the environmental situation in a given region, such a high level of oxygen content might actually worsen local air quality.

• (1150)

In Canada, high ozone levels and smog are a concern in the lower mainland of British Columbia and in the corridor between Windsor, Ontario and Quebec City and in some regions of Atlantic Canada, at least for part of the year. In these areas some actions have been taken to reduce hydrocarbonate emissions, particularly in the summer months. Forcing such a high oxygenate content into gasoline might worsen the ozone problems, counteracting the results of their programs to date.

Given this situation, mandating that Canadian gasoline contain 3.2 per cent oxygen cannot be justified on environmental grounds.

The U.S. is going through a process of identifying gasoline formulations that give environmental benefits at reasonable costs in their circumstances. Canadians should learn from the U.S. experience and examine the options of gasoline specifications that are available to the refining industry and the provinces, through the established process of the Canadian General Standards Board. Sufficient technical information would be required before the federal government attempts to modify the existing gasoline specification process to address the unique environmental concerns of the various parts of Canada.

The over-all impact on vehicle emissions of a change in gasoline specifications is often not clear, since often the change in gasoline properties will have the effect of reducing some of the vehicle tailpipe emissions while increasing others. Arbitrary specifications which are designed to force the market penetration for ethanol should not be encouraged by supporting Bill C-226. Rather, the established process of considering changes in gasoline formulation through consultation with the vehicle and oil industries and the provincial governments, in conjunction with the Canadian General Standards Board should be followed.

What has the government already done to encourage the use of ethanol as an automotive fuel?

In the February federal budget, the excise tax of 8.5 cents per litre, normally charged on all gasoline sales, has been waived on the content of fuel ethanol produced from biomass. This incentive will offset some of the costs of blending alcohols into gasoline, making it more attractive as a gasoline blending component. Undoubtedly this has been a factor in the recent decision of United Co-operatives of Ontario to begin marketing a gasohol blend in southern Ontario.

In 1990 ethanol-gasoline blends were granted the right to use the Ecologo, under the government's Environmental Choice Program. This program helps promote the use of certain products by increasing consumer awareness of the environmental benefits.

In addition, under the green plan and other government programs, research and development continues to be carried out to reduce the costs of ethanol production so that alcohols can make an even greater contribution to meeting the energy needs of Canadians. A lot of research effort is also directed toward a better understanding of the ways in which transportation fuel formulation can impact on air quality.

We believe that Canada's agricultural industries and the producers of fuel ethanol can take advantage of these initiatives to develop a strong, viable fuel ethanol

industry that can significantly contribute to Canada's energy future.

The second element of this bill proposes to prohibit the use of Methylcyclopentadienyl Manganese Tricarbonyl, or MMT for those who prefer using acronyms. MMT additives are one of the options refiners have to increase the octane rating of gasoline. Its big advantage is that it makes a very cost effective contribution to gasoline octane levels, at least at the level at which it is permitted. If MMT were not allowed, gasoline production costs would increase, likely leading to higher gasoline costs to consumers.

MMT has been used as a gasoline component in almost all Canadian motor fuels since 1978. In the United States, MMT was believed to interfere with some of the early automotive exhaust emission control systems and so it is used in lead free gasoline and has been disallowed by the U.S. Environmental Protection Agency since the 1970s. Its use however continues to be allowed in the U.S. in leaded gasoline.

MMT has undergone extensive assessment in Canada to determine the environmental and health impacts. Although Transport Canada uses gasoline that does not contain MMT in the compliance testing in new vehicles, Environment Canada has tested emissions of vehicles burning MMT containing gasoline and demonstrates that these vehicles were within emission standards.

With regard to the health aspect of MMT, there is no evidence that the use of MMT causes any direct health threat. In fact, manganese is considered to be one of the essential elements of a balanced diet and over 99 per cent of the body's intake of manganese is from a dietary source.

Mrs. Christine Stewart (Northumberland): Mr. Speaker, I am very pleased to have this opportunity to speak on the bill of my colleague from Lambton—Middlesex, Bill C-226, which would legislate a minimum level of oxygen in gasoline sold across this country at 3.2 per cent by weight and eliminate the use of MMT in gasoline sold in this country.

As I listened to comments made by my colleagues across the floor, once again it reminds me, and I am sure many other Canadians, of what drives the government to its policies of acceptance and rejection of certain legislation proposed either by itself or by us and that seems to be the corporate agenda. Where in the policies of this government do the issues of concern to the people come into being?

I listened to arguments from my colleagues on the government side against passage of Bill C-226. Their argument is that which was put out by the large corporations in this country that might tend to lose something if there was a ban on the use of MMT in gasolines.

I am very concerned about the importance of banning MMT in our gasolines for health reasons. I am very concerned about substituting this octane enhancer MMT by the use of ethanol in our fuels because of its important positive environmental impacts and also the positive impact it would have on the agricultural sector of our country.

I cannot understand how colleagues who understand that there could be even the slightest cause for problems to the health of our nation through the use of MMT in gasoline could object to the elimination of its presence in gasolines at this time.

Last week we listened to reports of how haemophiliacs have suffered because of blood transfusions when a government was warned that a certain procedure could cause complications and the government refused at that time to take adequate necessary measures to countermand that. We see today, the very negative results of that.

Now we hear of another possible threat to the health of Canadians from manganese as it exists in the chemical MMT, a chemical that can cause characteristics similar to lead when absorbed. Manganese is a chemical which is absorbed, and retained. As it is absorbed and retained has an increasing toxicity that can particularly imperil children and the aged in our society.

Manganese is a normal element in the chemistry of the air we breathe and some of the food that we absorb, but when it is absorbed at levels that are too high it does have a toxic reaction. It becomes a neurotoxin and has persistent and irreversible pathological effects on brain structure.

• (1200)

The Acting Speaker (Mr. DeBlois): The time provided for the consideration of Private Members' Business has now expired.

[*Translation*]

Pursuant to Standing Order 93, the order is dropped to the bottom of the order of precedence on the Order Paper.

GOVERNMENT ORDERS

[*English*]

IMMIGRATION ACT

ALLOCATION OF TIME TO CONSIDER REPORT AND THIRD READING STAGES OF BILL C-86

Hon. John McDermid (Minister of State (Finance and Privatization)) moved:

That in relation to Bill C-86, an act to amend the Immigration Act and other acts in consequence thereof, that not more than one further sitting day shall be allotted to the consideration of report stage and one sitting day to consideration of the third reading stage of the bill and that 15 minutes before the expiry of the time provided for Government Orders on the day allotted to the report stage consideration and on the day allotted to the third reading stage consideration of the said bill any proceedings before the House shall be interrupted, if required, for the purpose of this Order and in turn, every question necessary to dispose of the stage of the bill then under consideration shall be put forthwith and successively without further debate or amendment.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Call in the member.

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

(*Division No. 242*)

YEAS

Members

Anderson
Atkinson
Beatty
Bird
Blackburn (Jonquière)
Bosley
Bourgault
Brightwell
Cadieux
Cardiff
Chadwick
Chartrand
Collins
Corbeil
Crosbie (St. John's West)
Desjardins
Dobbie
Dorin
Edwards
Feltham
Fretz
Gibeau
Greene
Gustafson
Hawkes
Holtmann
Hudon
Joncas
Kempling
Langlois
Layton
MacDonald (Rosedale)
MacKay
Martin (Lincoln)
McDermid
Mitges
Nicholson
O'Kurley
Reid
Ricard
Roy-Arcelin
Scott (Victoria—Haliburton)
Siddon
Soetens
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vien
Weiner
Wilbee
Winegard

Andre
Attewell
Belsher
Bjornson
Blenkarn
Bouchard (Roberval)
Boyer
Browes
Campbell (Vancouver Centre)
Casey
Champagne (Champlain)
Cole
Cooper
Côté
Darling
Dick
Domm
Duplessis
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Harvey (Chicoutimi)
Hicks
Horner
Johnson
Jourdenais
Koury
Larrivée
Loiselle
MacDougall (Timiskaming)
Marin
McCreath
Merrithew
Moore
Oberle
Paproski
Reimer
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Sparrow
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Vincent
White
Wilson (Etobicoke Centre)
Worthy—106

NAYS

Members

Allmand
Assad
Baker
Blaikie
Boudria
Caccia
Dingwall
Finestone
Foster
Gagliano
Harb
Hovdebo
Jordan
Keyes

Angus
Axworthy (Saskatoon—Clark's Crossing)
Blackburn (Brant)
Blondin-Andrew
Butland
Comuzzi
Ferguson
Fontana
Fulton
Gardiner
Heap
Hunter
Karpoff
Kilger (Stormont—Dundas)

Kindy
Langdon (Essex—Windsor)
Lee
Marchi
McCurdy
Milliken
Murphy
Pickard
Riis
Rompkey
Stewart
Wappel—51

Kristiansen
LeBlanc (Cape Breton Highlands—Canso)
Manley
Marleau
Mifflin
Mills
Nault
Rideout
Rocheleau
Speller
Walker

PAIRED—MEMBERS

nil/aucun

• (1240)

[*Translation*]

The Acting Speaker (Mr. DeBlois): I declare the motion carried.

[*English*]

MEASURE TO AMEND

The House resumed from Wednesday, November 18, consideration of Bill C-86, an act to amend the Immigration Act and other acts in consequence thereof, as reported (with amendments) from a legislative committee.

Mr. Joe Comuzzi (Thunder Bay—Nipigon) moved:

Motion No. 9.

That Bill C-86 be amended in Clause 6 by adding immediately after line 9 at page 17 the following:

"(1.2) Notwithstanding section 10, where a person claims to be a Convention refugee, the person shall, upon request, be granted authorization to engage in employment on completion of the medical examination referred to in subsection (1.1)."

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, no wonder there is so much cynicism and disdain for politicians in this country when we see what the government has just done in putting another motion of closure on this bill. We have a government that speaks time and again in favour of parliamentary reform and democracy and yet, at the same time, systematically closes down debate on important and controversial bills.

Here we have the most extensive amendment to the Immigration Act since 1976, a bill with 128 sections and 113 pages. Yet at second reading—which by the way it called two days after the bill was tabled—second reading was limited to one and a half days on a closure motion. Now report stage where 69 amendments including 10 new amendments from the government have been tabled has been limited to one and a half days—a short day last week and one day today—and then the government is limiting third reading to one day tomorrow.

If the government had been reasonable and really did believe in democracy and parliamentary reform and had let this debate run its course, it would have only taken another couple of days. When I was asked by the government House leader and the representatives on the other side, I said that we could have done our amendments on report stage in two full days and probably we would want another full day for third reading.

But no, for all these amendments, for the New Democratic Party's amendments and for our amendments, because it has used up 45 minutes on this closure motion, in effect we really are not even going to get two full days. We got a half day last Wednesday and another half day today.

We are dealing with matters that touch the very heart of this nation. We are dealing with matters that touch on the peace and stability of the whole world. Experts before our committee predict that we will have an increase of three billion in world population in the next 30 years. We now have 20 million refugees in the world and here we are spending a few simple days on these matters when this should involve a lot of discussion and a lot of thought.

I have just come from a meeting at the United Nations. These matters are causing great concern in the United States and in all countries of western Europe: in Germany, in the United Kingdom, in France. They are allowing at least some time to discuss the matter.

Motion No. 9 before us is a Liberal Party amendment dealing with the granting of work permits. Right now, under the present law with the two-stage refugee hearing, a refugee is granted his or her work permit after being recognized at the first stage hearing. Right now it only takes about two months to get to the first stage hearing.

Under the bill before us, there is no provision to grant a work permit to a refugee until the refugee is fully recognized by the Immigration and Refugee Board. In the past this has taken up to two years but now takes between five and six months. But we do not know what might happen with the increased flows of refugees. There is no provision in this bill to provide for the quick

and reasonable granting of work permits to refugees after they come into the country. What does this mean?

We had municipalities from Ontario appearing before the committee saying that because the federal government will not grant these work permits quick enough and will not provide for a quick granting of a work permit, many of these people have to rely on welfare. This great number of refugees has to rely on welfare whereas many of them could be working. By the way, many refugees work in the most menial of jobs. They take jobs that many Canadians will not take. But they could be doing that kind of work if we provided for the granting of work permits.

What is suggested in this amendment is that the work permit be granted after the completion of the medical examination. The government has said that the medical examination must take place within 60 days. We are saying in this amendment that we should put into the law that the work permit should be granted after the medical has been completed, which is after 60 days.

The government says that if that is done, people will come to Canada as refugees just to get a work permit within 60 days. What nonsense that people are going to leave Yugoslavia, people are going to leave Bangladesh, people are going to leave countries in central America just to come here and work after 60 days. They are coming because they are legitimate refugees and they are being driven from their countries by violence, by fear, and by persecution.

• (1250)

We should allow these people who want to work, if there are jobs available to them, to work after 60 days, as they can now after the first stage hearing. We support the abolition of the first stage hearing and we believe that the provision to grant the work permit at the end of the first stage hearing is a good thing. However, to leave it open-ended with no provision in the law for the granting of the work permit until the person is fully recognized as a refugee is not only stupid but is inhumane.

In committee the government accepted a certain number of amendments. This is the kind of amendment I thought it would have appreciated and would have agreed to. Under the new system it says that people will fully complete the process in five or six months, if it is contested. However, that is not assured. That is a hope. What is wrong with putting the provision into the law, such as we done under the present law, that a work permit could be granted after 60 days, after the completion of the medical examination?

As I said, the government agreed to certain amendments in committee and that was good. It showed some reasonableness and the bill was improved in committee. Unfortunately, many oppressive sections still remain and in our amendments before the House we hope to deal with those oppressive sections. This is one of them.

I am now doubtful whether we will even have a chance to debate many of these important amendments coming from the opposition parties. There is this closure motion. It is going to be voted on at 6 o'clock tonight and there are 60 some amendments to deal with. It is totally ridiculous.

I am urging the government to reconsider and accept this amendment or one like it.

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, I rise to support the amendment that has just been moved by the member for Notre-Dame-de-Grâce. I wish to add a little to his opening remarks about the shortness of time for this very important debate.

The government put in 70 amendments at almost the last minute before the committee hearings. The government put these 11 amendments in at the very last minute before the deadline last Tuesday. The government knew what it was doing. It told us that it took eight months to prepare this bill before it was tabled in June and then there were two days to study it. Staff lawyers take two weeks to study it and there is only a day and a half for debate.

Committee reading was during the summer when most of the people who could advise committee members were on vacation and when committee members also needed some time with their families. Now after committee hearings there are further amendments from the government and one and a half days to debate the amendments in a long bill—128 pages. It is clear the government does not want to have debate. We will not be able to do justice to the necessary amendments after I, and perhaps other colleagues, have eliminated some of

the amendments we originally thought were necessary for the sake of focusing on the more important ones.

This amendment, which would give refugee claimants a chance to work and earn their living within 60 days of their arrival, is extremely important to metropolitan Toronto and the surrounding municipalities. The majority of refugees who have come to Canada are in the Toronto region.

Welfare costs are already very high because Toronto now has higher than average official unemployment, higher than the Canadian average. It is not as high as Newfoundland or Montreal but it is higher than the average for Canada. This has been going on for several years and it has affected welfare costs.

One neighbouring municipality has complained about the number of refugees on welfare even though the numbers are not that great.

In fact, the government is well aware that by putting a cap on the welfare payments it is making it next to impossible for municipalities in Toronto and the region to cover the cost of the refugees whom the government will not allow to work.

Under the new system the government says it take three, four or five months at most until there is a decision. It will not agree to give a work permit at the end of two months because it claims there would be fraud.

I do not understand how the minister can support that with a straight face because he told our committee publicly that the vast majority of refugee claimants are real refugees. Those were the minister's words: "The vast majority are real refugees". In fact he has repeated it.

If the vast majority are refugees how many people are going to travel thousands of miles—whether it is from east, west or south, they do not come across the pole—for what cannot be more than two or three months work at low wages? This is not an attempt to protect the country against a flood of frauds. This is an attempt to punish refugees for being refugees. It is an attempt to punish people who are being persecuted, who are being threatened with persecution, because they have come to seek safety in a country which in the past, before the last four or five years, earned a great reputation for accepting people in need of protection.

There is no good reason for refusing to let these people work. They want to work. They did not come here to live off welfare. They want to earn their way.

The municipalities want them to work and have said so. The Association of Canadian Municipalities said that to the committee. Yet this government refuses to allow them to work and it can only be because the government is adopting the policy of what is called humane deterrents, as expressed by a previous director of refugee affairs, Raphael Girard. We will not shoot them at the border, we will not send them away without a hearing, but if possible we will make them wish they had never come there by making life miserable with delays and under-funded refugee processing systems and by making it as hard as possible for them to earn a living or to pay for legal help.

This has increasingly become the growing policy of this government. Its refusal in committee to give us any answers to our questions on this point shows it is not willing to listen to reason, unless it has a last minute change of heart now.

Mr. Ross Reid (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, first I would like to comment on the amendment and then I will continue in the time remaining to comment on the earlier comments of my colleagues.

In terms of the amendment, the bill does not provide for any specific point at which authorization for a work permit will be given. That is in response to the flexibility that is essential to changing conditions.

There is no question that there has been quite a broad debate on this subject. It is a concern that a number have raised, particularly the municipalities, in terms of access to a work permit.

I think what is important, and I would disagree with my colleague for Trinity—Spadina on this one point, is that a great deal of the refugee sections of this bill are in response to a number of people who were concerned that the process needs to be speeded up to be more humane and to provide for better service for refugees.

The intent of this legislation is to ensure that positive determinations are reached within two or three months, which is essentially the same effect as that of the proposed amendment. What we do not provide for

specifically is that work permits be issued before the determination is found, and the policy will reflect that in the end.

• (1300)

I want to return, if I may, to the comments of my colleagues from Notre-Dame-de-Grâce and Trinity—Spadina about the process that we have encountered here. I would like to remind all members of the House that this legislative committee received 186 letters and 116 briefs over a period of four months.

We heard 110 witnesses, 48 groups and 35 officials from federal government departments. Within the community this was widely discussed and a number of meetings were held outside of the committee, both with individual members and with the government.

Therefore, when I hear a complaint on one hand that there were 70 amendments and a comment on the other that the government was not responsive I wonder a little bit about the inconsistency. Most of the government amendments were either technical, in response to very specific concerns raised by witnesses or in response to the opposition.

Certainly, we did not address all of the concerns raised by the opposition or all of the concerns raised by the witnesses. That happens in this process. However, both of my colleagues have said elsewhere that they felt in certain areas that the government was responsive.

The government put forward its amendments when others put forward their amendments, and certainly before the report stage met all its obligations to do so. Its amendments, with one exception, are very technical and make the bill a little bit better.

I too have no sympathy for the process of time allocation. I do not like the process, but on Thursday last we debated Bill C-86 for three hours in this House. We dealt with one quick amendment that took 40 seconds. We dealt with another group of amendments, six amendments, for the rest of the time, one topic.

I spoke—I was the only government member to do so—for eight minutes in this House while successive opposition members trooped in and made speeches that had nothing to do with this bill. That was absolutely their right. However, when I hear the opposition complain that it does not have time to debate the amendments I worry about those lost three hours and where they went, and how far we might have gotten in discussions on these amendments.

Frankly, I lose a little bit of my concern about time allocation when I am confronted with this indignation this morning and am expected to have some sympathy for that position.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I too want to speak to this amendment because I think it is very typical of what has happened in this country concerning the amendments to the Immigration Act.

There has been some dialogue. The community is very concerned. It is becoming apparent that this government is out of step with the wishes of the vast majority of Canadians, as reflected in this bill and in the amendments it is putting forward.

For example, most Canadians think that family class and assisted relatives should be the priority in immigration, but this bill does not reflect that. Canadians feel that because it has been the history of Canadian immigration. Historically, people can come, and they have relatives here who can assist them in integration into the Canadian community by finding employment, finding housing and dealing with Canadian culture. This bill does not reflect that.

In my community of Surrey North there is a very large immigrant population. There are a large number of Asians from Hong Kong and from some other parts of south-east Asia. In particular, we have a very large Sikh population. The Sikh population has made tremendous contributions to the economic and cultural well-being of Surrey, of British Columbia and of Canada.

We are now downplaying that community's ability to involve its relatives in coming to Canada to strengthen Canada. Those people have extended families and they want extended families to come here.

Similarly immigrants in this country have always had a very high commitment to the work ethic. They have wanted to work from the day they arrived in Canada, like my father when as an immigrant digging ditches in March in Edmonton. He wanted to work and that was the work available.

This particular amendment is saying the same thing to refugees. Refugees who have arrived in Canada want very quickly to be able to shift from being a burden on Canada to being a contributor to Canada. They want to be able to get employment so they can support themselves and their families.

We have a government that is not listening to them, not listening to provincial governments that are having to provide income assistance for people who are awaiting the determination of their status and not listening to the general public. The general public says these people are here and while they are here why not allow them to work while their determination is being made? It certainly would be a benefit to the community, to them and to their families.

I cannot agree with the last speaker about the fact that this bill and the amendments put forward by the government have been debated by the public. After the government tabled the bill, there were meetings right across this country of concerned citizens and groups looking at the bill. All of a sudden there are amendments put forward and they have not had the opportunity to study those amendments, to determine whether they meet the concerns raised whether they support them. If the government actually had any faith in its package of amendments, it would let the public look at it at leisure. It would let the public determine whether it could now support the package. I believe the reason the government is now determined to push this bill through is that it knows it would not stand the scrutiny that people would give it if they had a more leisurely opportunity to look at the amendments.

I want to again say that I support this amendment. Most Canadians do. Most Canadians do not agree with the thrust of the government in this bill. They certainly do not agree with the fact that the government will not accept this amendment.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, in order to facilitate the debate today I was not going to debate this particular motion. After the government advocate from St. John's, Newfoundland, spoke just a few moments ago I thought that it was only right that we should respond to some of the accusations that were made in the context of the motion that we are debating today before this House.

There was some discussion, and I agree with my friend from Notre-Dame-de-Grâce and my colleague, the member for Trinity—Spadina, what they have said with respect to the rights of people as they enter Canada, either as an immigrant or as a refugee, and their right to work.

First let me make a couple of comments about some very important matters that were dealt with the last time this bill was debated in the House. There were some very, very important amendments proposed by this side of the House, by both the NDP and the Liberal Party, with respect to substantive issues concerning the immigration bill.

We are concerned that time allocation was just announced a short while ago with respect to a discussion on the amendments. Let me just go over four or five of the amendments that we discussed in some detail. There were many people on this side of the House who wanted to continue the debate on matters that concern issues involving family members and their right to come to Canada. One fundamental principle that we stand for in the Liberal Party is uniting family members should they choose to become immigrants or refugees to Canada. That bill was debated. There were members on this side of the House who wanted to continue the debate.

• (1310)

The second motion, No. 5, was a motion on visitors' visas. We all know, as I said on the last day in this House, that visitors' visas were the ones that were causing the most concern with respect to problems with immigration outside of the country for members on both sides of the House about how those visitors' visas were granted. Our proposals were very sound and made sense. The proposals would have facilitated the operation.

The debate was stunted because not enough members were given enough time to make the salient points that they wanted to make with respect to a very vital issue, the visitors' visas that are issued by every embassy in the world. It is not done right. Our recommendations, as proposed by my colleague from Notre-Dame-de-Grâce, were substantial and they were recommendations that this government should have taken into consideration and implemented without question. That was debated.

Other issues debated were the refund of immigration fees, which was not of much consequence but there were members who wanted to debate that issue, and Motion No. 70, the resident requirements. Along with that, Motion No. 7, proposed by my friend from Trinity—Spadina, and Motion No. 6, presented by the member for Scarborough—Rouge River, were substantive issues that this government should have adopted and implemented in this act to make it a more humane and palatable piece of legislation that would guide not only the immigration process in this House but the refugee problem that the government still cannot seem to correct.

The issue before the House now, Motion No. 9, is a motion which we have proposed for the benefit of the municipalities of this country. To put it in its simplest context, its simplest terms, as people come into this country, either by immigration or as refugees, they are denied the opportunity of having a work permit issued immediately.

What we are saying is that as soon as the medical process is through, which takes about 60 days, they should be offered the opportunity to go to work if, because of the economy, a job is available.

Having been offered the opportunity to go to work, at that point, 60 days after their arrival, what does it do? It takes a substantial amount of people who come to this country off of the welfare Rolls. We all know, through the experience not only in Ontario but in Quebec and every other province in this country, that the substantial portion of welfare payments is made through the municipalities. I compliment my friend, the member for Notre-Dame-de-Grâce, for attending all these meetings and for having the perseverance to bring this motion to the House. What we are trying to accomplish is a resolution that will help to eliminate the costly welfare system that we have in our country.

For people who have to apply for welfare, it is picked up proportionately by the provincial government and by the municipal government. If we afford the person more of an opportunity to get to work as soon as he is allowed to come into Canada, it would reduce the welfare rolls substantially, particularly in Vancouver, Toronto, Montreal where over 90 per cent decide to locate when they become either accepted refugees or immigrants to our country.

This is a motion that is spoken to and presented on behalf of the municipalities of Vancouver, Toronto, Montreal and all the other municipalities right across this country. It goes toward helping them bring under control the very expensive social welfare system that they are forced to fund.

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

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): The question is on Motion No. 9.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

[*Translation*]

We will now proceed with consideration of Motions Nos. 10, 11, 12 and 13, standing in the name of the hon. member for Trinity—Spadina, and Motion No. 22, standing in the name of the hon. member for Thunder Bay—Nipigon, which have been grouped for debate.

Mr. Dan Heap (Trinity—Spadina) moved:

Motion No. 10.

That Bill C-86 be amended in Clause 11 by striking out lines 30 and 31 at page 19 and substituting the following therefor:

"(*c*.1) persons who".

Motion No. 11.

That Bill C-86 be amended in Clause 11

(*a*) by striking out lines 10 and 11 at page 21 and substituting the following therefor:

"zation that has been prescribed as an organziation which is or was engaged in"; and

(*b*) by adding immediately after line 16 at page 21 the following:

"and while members are believed on reasonable grounds to have participated in such acts".

Motion No. 12.

That Bill C-86 be amended in Clause 11 by striking out lines 37 and 38 at page 22 and substituting the following therefor:

"(*a*. 1) persons who".

Motion No. 13.

That Bill C-86 be amended in Clause 11 by striking out lines 22 and 23 at page 23 and substituting the following therefor:

"(ii) have been convicted outside".

Mr. Joe Comuzzi (Thunder Bay—Nipigon) moved:

Motion No. 22.

That Bill C-86 be amended in Clause 28 by striking out lines 19 and 20 at page 40 and substituting the following therefor:

"constitute a serious threat to the security of Canada or whose presence endan-".

[*English*]

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, in the time we have I want to focus particularly on three of these motions, Motion No. 10, which would do also for Motions Nos. 12 and 13, and Motions Nos. 11 and 22.

Motion No. 10, along with Motions Nos. 12 and 13, is a motion to remove some offensive words from the bill, offensive in the place where they occur; namely, the words "who there are reasonable grounds to believe".

What we are talking about is a bill that says if there are reasonable grounds to believe that you have been convicted of something outside of Canada you can be excluded. That is an innovation in our law which obviously suits some police-minded people but does not suit the general public of Canada which believes that a person is innocent until proven guilty.

If the government thinks it has reason to believe that a person has been convicted outside Canada, it has a duty to find out whether that is true, what country it happened in, what court it happened in, where the record of conviction is, rather than say there is a rumour that there has been a conviction of this or that.

It is extremely unjust that a person should be turned away with little or no chance to seriously defend himself or herself simply on suspicion or rumour.

Clause 10 and clause 12 both fail on that point, and clause 13 also.

What I want to have there is that we will deal with persons who have been convicted, or in the case of clause 13, persons who have been convicted outside the country, not persons whom somebody suspects were convicted.

• (1320)

Clause 11 is a little different. Clause 11 would amend page 21 of the bill. I will read a little bit of page 21 to give the context. This is a clause to exclude people on the grounds of their connection with espionage, terrorism or subversion. It is agreed. There was no debate in the committee and I do not think there is any debate here that we need to keep out people who are concerned with espionage, subversion or terrorism. However, what this bill does at this point is to say that we will exclude persons where there are reasonable grounds to believe are or were members of an organization, that there are reasonable grounds to believe is or was engaged in acts of espionage or subversion or terrorism. In other words, it is twice built on rumour: he is, she is or was at some date last year or 20 years or 40 years ago a member of a certain organization or we have reason to think that and we have reason to think that organization, somewhere in the world, 10 years ago, 50 years ago, 1 year ago, it does not matter, was engaged in some of these activities and because this person belongs to that organization, the person will not be admitted to Canada.

What I would like to see changed is that at least the people should be able to know what is the organization or organizations whose members are forbidden to enter Canada. Therefore, I ask that the government prescribe these organizations and say that this, that or other organizations have been engaged in terrorism, or whatever it may be, and any member therefore can be excluded unless there is a catch-all clause at the end and unless the minister says it is all right. However, generally speaking, they will be excluded without much consideration.

Second, I believe the law should say that he or she will be excluded if at the time there is reasonable ground to believe that the person participated in those actions. In other words, a person could be a member of the African National Congress and not have been a participant in all the actions of that congress. A person could be a member of the Republican Party and not have been

engaged in the Watergate burglary and so on and so forth. If the tables are turned, a person could be a member of the RCMP and not have been engaged in the crimes that they committed during the 1970s in Canada.

It should be limited to an organization that has been listed as subversive, terrorist or a spy organization and there should be grounds to believe that a person was a member and took part in those actions.

Finally, just a brief word. I want to say that I support strongly Motion No. 22 where it says that we should exclude people because they constitute a serious threat to the security of Canada, not a threat to the security or interests of Canada. Security, yes. If he or she is a threat to the security of Canada, we have to put them out, but if they are a threat to the interest of Canada, that is undefined. Does that mean they are opponents of the Tory government or, if there is a change, opponents of some other government? What are these interests to which the person could be a threat? It is so undefined that a person could not possibly be expected to defend himself against that and therefore it really means that we do not like the colour of that person's eyes or maybe the colour of that person's skin so we call him a threat to our interests.

Those are the only three I wish to speak on and they cover the other two that I have listed here.

Hon. Warren Allmand (Notre–Dame–de–Grâce): Mr. Speaker, I want to speak in particular to amendment No. 22 which was tabled by the Liberal Party and which is being debated in this grouping. Amendment 22 would strike out of article 28 on page 40 the words "threat to the interests of Canada".

Let me explain. That clause of the bill says: "For purposes of section 39 to 40.2, to enable the Government of Canada to fulfil its duty to remove persons who constitute a threat to the security or interests of Canada". In other words, this is a clause in the bill that allows the government to deport people who are a threat to the security and to the interests of Canada.

We in the Liberal Party accept fully the right to deport people who are a threat to the security of the country. That was in the bill we put to the House in the 1970s. The words "security of the country" are well known. That could be criminality, espionage, terrorism or subversion. Therefore, we believe that people who are a threat to the security of Canada should be deported. In this bill the government has also put in the words "a threat to the interests of Canada". That is not defined. What immigration officers are going to decide if a proposed immigrant is a threat to the interests of Canada?

If somebody appears at our borders or at our embassy abroad and says: "I want to immigrate to Canada", are they going to question them and ask: "Are you against the GST?". Some people in this country and this government think if you are against the GST, you are against the interests of the country. Are they going to ask: "Are you against the North American free trade agreement?" Some people might think if you are against the North American free trade agreement you are against the interests of Canada. Is being against this bill being against the interests of Canada, in the view of some government officials?

The point of the matter is that being against the interests of Canada is not defined. It is too broad and too general. Who is going to make the decision about whether an applicant for immigration is against the interests of Canada and, therefore, should be deported?

In my amendment to the government amendment, I am suggesting that we strike out the words "against the interests of Canada" and simply keep "threat to the security of Canada". We all agree that we do not want people in this country who are against the security of the country. However, we do not want some wishy–washy words in our law that say that we can deport people who are against the interests of Canada and nobody defines what "the interests of Canada" means. It is so general it could mean almost anything to a government in power. It would define what the interests of Canada would be. We do not think that should be in our law.

I am surprised that the government has not gone along with us on this one. I know many people on the government side and I think they would agree with me on this point. However, that is the purport of Motion No. 22.

I just want to say a few words on the amendments tabled by my colleague for Trinity—Spadina. As I said a few minutes ago, the Liberal Party fully supports provisions in the law that would keep out of Canada criminals, subversives, terrorists, spies and so on. We support measures along those lines. This bill goes beyond that. This bill provides, for example, that you could be kept out not simply because you have committed a crime but because there are reasonable grounds to believe that you might have committed a crime. That is quite different. Not that you have committed, but reasonable grounds to believe that you have committed. Right now the law says that if you have committed an offence you do not get in. Good enough. Then it goes beyond criminal offences. It goes on to deal with acts or omissions. If in addition you have committed acts or omissions in another country that would be considered criminal offences then you are also barred. My colleague's amendments are attempting to deal with this.

The worst amendments of all are the two catch–all ones that are so broad that they take in almost everything. One is if you belong to an organization that might have committed an offence in the past. He mentioned Exxon.

• (1330)

An American may wish to emigrate from the United States. If he or she worked for Exxon, because Exxon was convicted of an environmental offence a few years ago, according to the words of this section they could be barred from admission.

If you belonged to the Republican Party or Greenpeace, in which organizations there have been members who have committed offences over the years, just because they committed an offence or the organization was found guilty of an offence, are you going to bar forever all the other people, who might have been very good people, just because they belonged to an organization which was so structured?

We support those amendments as well. We think the government has drawn the net too widely in trying to keep out people. What is wrong in drawing it so widely is that you end up with subjective decision making, not objective criteria. You end up with unfairness. Whereas one person might get in and not be considered as being against the interest of Canada, another person may be considered as being against the interests of Canada. There may be reasonable grounds to believe that they belong to an organization that had committed offences. In another case there might not be reasonable grounds.

There is a thin line here that is too vague and will lead to unfairness. It is against the traditions of this country with respect to immigration.

I wish to get back to our own amendment, that we keep the provision that you can deport people who are a threat to the security of the country but we take out the part that says that you should be deported or sent away because you may be against the interest of Canada.

Mr. Ross Reid (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I would like to take the opportunity to respond on this group of amendments. Like my friends across the way, I will tend to do it by referring to Motions Nos. 10, 12 and 13 together, 11 and 22 on their own.

On Motions Nos. 10, 12 and 13, I want to say, and I know that many people in this House recognize it, that the principle of reasonable grounds in criminal activities are well established in this country, not only for the Criminal Code, the tax act and the competition legislation but it is something that requires a well established objective basis.

In the past, the courts quite clearly have made decisions along this line. To suggest that it is simply government responding to rumours would not stand up in any court and would not be reasonable in any government administrative process under Bill C–86 or any other legislation.

In terms of proposal No. 11, it suggests that we would only be able to keep people out that are members of prescribed organizations. In discussing this at length in the legislative committee, one of the expressions I used then which I think is appropriate at this time is that while it is impossible always to know the nature of an immigrant or of a refugee that you might want to bring in in the future, it is equally impossible to be able to know and therefore define all of those people that you are going to want to exclude in the future.

I understand when my colleagues often talk about clauses in legislation which sometimes are too wide open and perhaps cast too broad a net. But I also have come to understand the real problem that we have when we quite clearly start trying to go too far to define. In our attempt

to be prudent and fair, we find ourselves in a position where we work against not only the interest of the country but against those who choose to come to the country.

On Motion No. 22, which involves the discussion that my colleague had about the question of the interest of Canada, I want to make two comments if I may. First of all, this particular clause, clause 28 of this bill which will be section 38.1 of the new law when it is in place, is a purpose clause. It provides, as my hon. friend from Notre-Dame-de-Grâce has said, for the setting up of sections 39 and 40, which provide for the certification process in recognition that you do not want to have too much power without the proper checks and balances.

This legislation provides for a certification process under the provisions where there is a threat to the country. Both the minister of immigration and the Solicitor General must sign a certificate and that is what this process allows for. Certainly there is protection provided in section 6 of the charter that relates to the same thing.

The second point is that the interests of Canada are not always clearly defined but sometimes they are readily evident. Unfortunately we have seen in this country from time to time those who have come here and co-ordinated or undertaken activities that have nothing to do with things in Canada but with other countries.

For instance, if there was an effort to carry on a plan of terrorism or subversion in another country from Canada it is certainly not a threat to the security of Canada but it is a threat to the interests of Canada.

One thing this particular section of amendments addresses, which is sometimes very difficult for some of us to come to grips with, and I find myself in this bind often, is the question of balance. We constantly must balance the interests of Canada and Canadians with our responsibility to not only provide the opportunity for those who want to come to Canada and contribute to this country but also to provide safe haven and refuge. Certainly in my view that is the greater responsibility that we have.

The balance comes in ensuring that we have a system that is fair, accessible and open and continues to allow Canada to live up to its tradition of being a protector without parallel around the world, while at the same time ensuring the security of Canadians and the immigration refugee determination system by knowing who we have in the process and by being able to deal in those very rare situations with those who should not be in this country. Until now in some cases the minister and the department have not had the ability to remove people from this country when I think any reasonable person would say they should be gone. That is what some of these provisions provide for.

I suppose we could sit and imagine situations where there would be a negative effect, where provisions could, if we examined them in isolation, be used against those who choose to come to Canada. That has not been the tradition in this country. That is not the way the Immigration Act has been used, either the 1976 act or the 1988 act. I do not believe there are many who believe that is about to change.

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

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen

[*Translation*]

The Acting Speaker (Mr. DeBlois): Pursuant to the provisions of Standing Order 76(8), a recorded division on the motion stands deferred.

I may remind hon. members that the vote on Motion No. 10 also applies to Motions Nos. 11, 12 and 13.

The question is now on Motion No. 22. Is it the pleasure of the House to adopt this motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to the provisions of Standing Order 76(8), a recorded vote on the motion stands deferred.

• (1340)

In accordance with the Chair's ruling, we will now consider Motions Nos. 14, 17, 18, 19, 20, 32, 40, 41, 68 and 80 which have been grouped for debate.

M. Dan Heap (Trinity—Spadina) moved:

Motion No. 14.

That Bill C-86 be amended in Clause 13 by striking out line 31 at page 25 and substituting the following therefor:

"exclusion order against the person, unless the person requests an inquiry or claims to be a permanent resident, in which case the senior immigration officer shall cause an inquiry to be held concerning the person as soon as is reasonably practicable."

Hon. Jean Corbeil (Minister of Transport) moved:

Motion No. 17.

That Bill C-86 be amended in Clause 16

(*a*) by striking out lines 20 to 30 at page 30 and substituting the following therefor:

"(*i*) ceased to be a Canadian citizen pursu-"; and

(*b*) by striking out line 13 at page 32 and substituting the following therefor:

"(ii) the person is not a per-".

Motion No. 18.

That Bill C-86 be amended in Clause 21

(*a*) by striking out line 15 at page 35 and substituting the following therefor:

"Canada within the applicable period specified in the";

(*b*) by striking out lines 7 and 8 at page 36 and substituting the following therefor:

"(*d*), (*e*), (*f*), (*g*), (*j*), (*k*) or (*l*) or 27(2)(*h*) or (*i*), the adjudicator may, subject to"; and

(*c*) by striking out line 14 at page 36 and substituting the following therefor:

"Canada within the applicable period specified in the".

Motion No. 19.

That Bill C-86 be amended in Clause 22

(*a*) by striking out line 28 at page 36 and substituting the following therefor:

"ture is issued within the applicable period specified in"; and

(*b*) by striking out line 2 at page 37 and substituting the following therefor:

"the expiration of the applicable period specified in the".

Motion No. 20.

That Bill C-86 be amended in Clause 23

(*a*) by striking out line 30 at page 37 and substituting the following therefor:

"Canada within the applicable period specified in the"; and

(*b*) by striking out line 7 at page 38 and substituting the following therefor:

"(*d*), (*e*), (*f*), (*g*), (*j*), (*k*) or (*l*) or 27(2)(*h*) or (*i*),".

Motion No. 32.

That Bill C-86 be amended in Clause 36 by striking out lines 37 to 45 at page 47 and substituting the following therefor:

"(1.1) A person who claims to be a Convention Refugee on or after the day on which this subsection comes into force is not eligible to have the claim determined by the Refugee Division if

(*a*) the person had, before that day, claimed to be a Convention Refugee and the person was determined not to have a credible basis for the claim;

(*b*) the person was, before that day, issued a departure notice; and

(*c*) the person has not left Canada since the departure notice was issued."

Motion No. 40.

That Bill C-86 be amended in Clause 45

(*a*) by striking out line 42 at page 56 and substituting the following therefor:

"(2) Subject to section 56, where an exclusion order is made against a person, other than a person who has claimed to be a Convention Refugee, the person shall not, after the person is removed from or otherwise leaves Canada, come into Canada without the written consent of the Minister during the twelve month period immediately following the day on which that person is removed from or otherwise leaves Canada unless an appeal from the order has been allowed.

(3) A person against whom a departure";

(*b*) by striking out line 1 at page 57 and substituting the following therefor:

"before the expiration of the applicable period speci–"; and

(*c*) by striking out line 9 at page 57 and substituting the following therefor:

"of the applicable period specified for the purposes of".

Motion No. 41.

That Bill C–86 be amended in Clause 46 by striking out lines 25 to 30 at page 57 and substituting the following therefor:

"come into Canada unless the person has paid to Her Majesty the removal costs prescribed under regulations made pursuant to paragraph 114(1)(*r*) or, in the absence of any such regulations, has reimbursed Her Majesty for any costs incurred by Her Majesty in deporting the person."

Motion No. 68.

That Bill C–86 be amended in Clause 102 by striking out line 26 at page 110 and substituting the following therefor:

"(*s*.2) specifying periods during which a".

Motion No. 80.

That Bill C–86 be amended by adding immediately after line 36 at page 117 the following new clause:

"113. A departure notice issued to a person before the day this section comes into force shall be deemed to be a deportation order on the later of the expiration of

(*a*) ninety days after the day this section comes into force; and

(*b*) the period specified in the departure notice for the person to leave Canada."

The Acting Speaker (Mr. DeBlois): The debate will be on all the motions just moved.

[*English*]

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, I have one motion in this grouping. The other nine or ten are all government motions. I will comment on a couple of the government motions that I think are not merely technicalities. I think they are quite harmful and I regret very much that we were given so little time, on top of everything else, to handle these late government motions after their eight, ten or twelve months of preparation.

First, my Motion No. 14 places a condition on the new powers of the senior immigration officer. On page 25 there is a section, and I will not read it all, that says, after listing certain grounds of inadmissibility:

the senior immigration officer shall allow the person—

That is the person who has just been confronting him.

—to leave Canada forthwith or make an exclusion order against the person.

In other words, he either leaves voluntarily or is ordered to leave.

I wish to add these words:

unless the person requests an inquiry or claims to be a permanent resident, in which case the senior immigration officer shall cause an inquiry to be held concerning the person as soon as is reasonably practicable.

As it stands, the power given to the senior immigration officer is far too absolute, far too arbitrary. There are some things that cannot be cleared up, just standing there, between a person coming in and the immigration officer, even if they are sitting down. The person does not have the time to find out what test he must meet, which was unexpected, and the immigration officer may or may not give him sufficient time, it may not even be practically possible for him to do it. That is why the inquiry system is used.

I am thinking particularly of a person who is a permanent resident but who, in coming back or even after he has come back, may be challenged as not being a permanent resident but a visitor who over-stayed his visa or somebody who came in without a visa, who sneaked in. He may be picked up at his home a day later or a month later and deported without notice as an indirect consequence of this clause and other clauses which the government is about to pass.

Under the new system the person should have a permanent resident card instead of the landing paper. However, there are a couple of problems with that system. The card may expire and if the person has been legitimately abroad working or studying, fully intending to return to Canada, he may be told that he does not have a valid card and is not a resident. The person may have lost the card. It may have been stolen, this can happen. The person may then be told that unless he can

prove right on the spot that he is a permanent Canadian resident and he is not a permanent resident he is excluded.

I believe there would be many injustices, perhaps unintentional injustices, in such a case. A person may not be prepared, may not carry around all kinds of documentation with him. If he was robbed of his wallet, and perhaps other documentation was lost as well, they would be available at home in Toronto, or wherever else the person lives, but not available right there while he is standing in front of the senior immigration officer.

There will be other occasions when the person believes that his statement of fact is not properly understood by the immigration officer.

In either case, whether it is a permanent resident or somebody else who believes that he should have the right to inquiry, I believe that this clause should be amended to give him that right to an inquiry before an adjudicator with the time—it should not be instantly then, it could not be instantly then, but it says "within a reasonably practicable time"—to collect whatever evidence this person may have that he is currently a Canadian citizen ordinarily living in Canada but away on business.

For some reason not explained the government is abolishing a very practical arrangement, which is that if a person is leaving Canada to study for a year or something like that and is a permanent resident, a person can get a certificate from the government that certifies that he is a permanent resident and has the right to return. That is the law at present. That provision is being taken away by this bill. It means that the person coming back is very vulnerable to being mistakenly accused of not being a permanent resident. The only recourse against that is that he be allowed to go to an inquiry and have opportunity to present the evidence which would then enable the immigration officers to do justice to his real situation.

• (1350)

I would hope that on further consideration the government would consider this amendment and support it.

There are two other motions I wish to speak on. Motion No. 17, as far as I can understand it—and some of these I have not been able to understand, even with the help of some legal, professional advice—would give this power of exclusion, particularly page 32 which changes the line significantly. Instead of saying that the senior immigration officer may make a departure order against a person as long as he knows that person is not alleged to be a person described in any other paragraph or somebody who overstayed a visa and was ordered to leave and knows that the person is not the person described.

In other words, if he said it is alleged it is reported, that a certain person should not be let in, the procedure is that the matter would go to inquiry and the person would have the chance to prove that the allegation is mistaken or untrue and that he is not somebody who should be excluded. This subtle little change means instead of saying the person is not alleged to be a person described, it says the person is not the person described. In other words, the senior immigration officer is to make his decision on the spot, not to do a report to an inquiry, but to say leave the country now.

This is a mistake. This is in Motion No. 17, which I will have to oppose for that reason.

Likewise, Motion No. 32 says it is going to strike out certain lines and substitute: "A person who claims to be a convention refugee on or after the day on which this subsection comes into force is not eligible to have the claim determined by the refugee division if (a) the person had, before that date, claimed to be a convention refugee and the person was determined not to have a credible basis for the claim; (b) the person was before that day issued a departure notice; (c) the person has not left Canada since the departure notice was issued".

There have been several refugee claimants who have challenged in courts successfully the denial of their credible basis on the grounds that the test was unreasonably hard at that preliminary stage. This would insist that such a person would be sent away before he has a chance to make the appeal.

That would be very unjust and although this is only transitional from the old system to the new, there are some cases which are in the pipe right now. One of them has already been to court and will go to court further. While it is being decided by the court, and while other cases are being decided by the court, we should not introduce this clause which would send the person out of the country to possible persecution, even death, without the court's having given an opinion on the matter.

Mr. Ross Reid (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, recognizing that I have six minutes with the endurance of my colleagues, I will refer to these amendments as a group as best I can identifying them.

The first would stem from Motion No. 68, which deals with clause 102. There are subsequent amendments that will be found in clauses 21, 22, 23 and 45. What that does is allows the government instead of being able to only set one period of time, to set more than one period of time.

An example that I would give is if the departure order said that the time of leaving the country was January 15 but an H and C hearing was arranged for February 15, it would allow for a second period or another set of periods to be put in place and that adds some flexibility. As I said, there are some sequential amendments that go with that.

I want to refer to the amendments that flow from clause 80 which refer to provisions that are transitory and relate to changes in sections 113 and 27(21).

What would happen is if the departure notice is in place for a certain period, the new legislation would come into place. What the new legislation will say is that the departure order becomes a deportation order in either 90 days or the date already in the departure notice, whichever is the greatest.

What that obviously does is allow for more equal treatment of time. You can argue that one date is 89 days away, another date is two days away, and that is not equal. It ensures that the date for everybody is 90 days from when the legislation comes into effect.

We should remember that those who have departure notices in hand already will have had hearings either before an adjudicator or other processes in place.

I want to refer to Motion No. 41 which refers to the costs of removal that would be incumbent upon a transportation company. The costs to be paid are the actual costs if the regulations have not provided for prescribed costs.

Motion No. 40 would allow, not demand, that the officer would be able to put in place a 12-month order against returning to Canada. This would prevent against going literally from one border station to the other. This is something that does not apply to refugees and is something we have seen the need for in the past.

The amendments to clause 36 provide for more precision and the proposed amendment makes it clearer; before it was a bit loosey-goosey.

I would like to respond very briefly to Motion No. 14 put forward by my friend, the member for Trinity—Spadina. He would, I know, agree with me that in terms of dealing with permanent residents and lost cards, there was quite an extensive process of amendments put in place through which the government was responding to very real concerns of the opposition and other people.

Certainly section 23 subsection 4(b)(ii) provides for the protection he seeks. It is important to recognize that if someone is a permanent resident and comes forward and says he has lost his card, it is not simply a matter of that is it, that is tough, he is done for. If that person has the ability to show there are good grounds that he or she is a permanent resident, this new card, which will be provided to students and others, will be replaced.

However, if after all of that we or the immigration officer or whoever comes to the conclusion that they do not believe there is permanent residency, that there is absolutely nothing to be done to convince them of it, there is an appeal procedure which provides for that person to come to Canada for that appeal. That should be recognized. Again, refugees are quite clearly protected from this section. They are not included in this group. I think that is another important recognition.

[*Translation*]

The Acting Speaker (Mr. DeBlois): 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*]

DELTA HOSPITAL

Mr. Stan Wilbee (Delta): Mr. Speaker, the Delta Hospital has always been a prime example of a community hospital with active participation of the community in the affairs of the hospital in the form of volunteers and also fund-raising.

The hospital is currently in the midst of major fund-raising efforts, during the month of November, and to date has raised $650,000 of a $1 million goal. These funds are to provide a computerization of patient information, second, to support the excellent emergency department with equipment and assist the casualty officers and, third, to provide an education endowment fund to ensure continuing education and upgrading of all the hospital staff.

I commend the Delta community and its hospital board and staff for the excellent facility that they are developing and their accomplishments to date.

* * *

QUEEN'S GOLDEN GAELS

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, on Saturday the Queen's Golden Gaels won the Vanier Cup for the third time. Playing stifling defence and with a potent offensive attack led by running back Brad Elberg, the Gaels completely overwhelmed the Saint Mary's Huskies 31 to 0.

I am sure all members of this House, even those who attended Saint Mary's, will join with me in offering our heartiest congratulations to the Gaels on their convincing triumph and to the Huskies who played the high calibre of football we have come to expect of their team in recent years.

Special congratulations must be extended to Queen's coach Doug Hargreaves. He has led the Gaels for 17 years. Through hard work and dedication he has ensured that Queen's is consistently among the top teams in Canada.

Today, in addition to being the best university in Canada, Queen's can now rightfully boast that it has, without doubt, the best college football team in the country.

Oil-thigh na Banrighinn a' Banrighinn gu brath.

* * *

BLENDED FUELS

Mr. Garth Turner (Halton—Peel): Mr. Speaker, one of the happier events in my riding earlier this fall was the opening of a blended fuels gas bar. Now I and my constituents in Halton Hills can tank up with gasahol, which is comprised of 10 per cent ethanol. This fuel is environmentally friendly and completely renewable. It helps consumers protect the air they breathe while providing an important market for local corn producers.

The advent of gasahol is directly attributable to the actions of the federal government. The last budget removed the excise tax on the ethanol portion of blended fuels, making them commercially viable.

Now the government is doing even more. Today in Saskatoon the energy minister announced a five-year $12 million green plan project to encourage the production and use of ethanol in Canada. This initiative will expand the assessments of fuel emissions, support research and development of ethanol production technologies and encourage commercially viable ethanol projects.

Ethanol is one of Canada's future fuels: clean burning, powerful and ecologically responsible.

I am proud to be part of a political party which recognizes and promotes this.

* * *

THE ECONOMY

Mrs. Christine Stewart (Northumberland): Mr. Speaker, I rise in the House today to express my exasperation with this government's economic policies.

Canadians are suffering and far too many are living below the poverty line. High unemployment rates have become chronic. In my riding of Northumberland alone, we are experiencing a backlog of 500 welfare applications, with an additional 2,000 people about to exhaust their unemployment insurance, thereby swelling the welfare rolls to unprecedented levels.

The number of hungry children sitting in classrooms forced with their families to food banks is directly linked to unemployment. One million, one hundred thousand Canadian children live in poverty.

Since 1989 when this House passed a resolution to end child poverty in Canada by the year 2000, 170,000 more children find themselves living in poverty. Government economic policies are responsible for this deplorable situation.

Without question human beings, Canadians, are our greatest natural resource. Children are our future. Swift action must be taken to lower unemployment rates and to directly benefit Canadian children living in poverty.

* * *

[*Translation*]

SCHOOL BUS SAFETY

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, for several months, coroner Marc-André Bouliane has been fighting a big battle in Quebec for our children's safety when they ride school buses.

Here is a man who cares and listens to all parents and those whose children were killed by a school bus.

Mr. Bouliane is shaking up the Government of Quebec and the school commissions in that province. He is fighting, but it is not a revolt. On the contrary it is learning to be responsible for what happens.

Mr. Bouliane, you have my respect and, for the love of our children, continue your struggle.

* * *

[*English*]

FORESTRY

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, for the 300 communities across Canada that depend on the forest industry, staying the course with this government's trade policy means failure.

From 1987, when it signed the softwood lumber memorandum of understanding with the United States, to the four straight losses during the countervail hearings, this government has betrayed the people who earn their living by working in an industry that is our number one export earner.

We learned on Friday that the Canada-U.S. panel hearing the softwood subsidy and injury case has collapsed. One of the panellists has resigned due to a conflict of interest and this resignation has suspended the panel and, as weak as it is, will further delay resolution of the issue, costing more Canadian jobs.

Staying the course means that Americans will continue to attack Canadian industries at every opportunity. For the sake of our forests, change course.

* * *

HADASSAH-WIZO

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, yesterday the Hadassah-Wizo organization of Canada launched its 75th anniversary celebration under the leadership of President Esther Matlow. I want to recognize the exceptional achievements of the women in this important organization.

The 17,000 women from across Canada work together to improve the lives of Israeli women, children and seniors. They also educate Canadians about Israel, Zionism and Jewish culture.

Hadassah-Wizo plays a major role in providing social services in Israel and promoting women's rights and human rights in Canada. They do an outstanding job funding many services, including schools and hospitals in Israel.

I applaud the work these women have accomplished over the past 75 years. They have left an indelible mark on the Canadian and Israeli way of life. Many people will continue to benefit from their devoted efforts in years to come.

* * *

LEONARD PELTIER

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, on November 9 the case of Leonard Peltier, Indian rights activist was heard by the United States Court of Appeal in St. Paul, Minnesota.

At that appeal the views of 55 Canadian members of Parliament were presented in a brief to the court by Toronto lawyer Diane Martin. We argued that Peltier's extradition from Canada to the United States in 1976 was fraudulent in that it was based on a false American affidavit, another example of judicial discrimination against aboriginal people.

Not only did this act constitute a gross injustice to Leonard Peltier, but it was also an arrogant abuse of the

Canadian courts by the FBI. This is not the behaviour one expects between friendly sovereign countries.

Once again we are asking the Canadian government to recognize that this extradition was fraudulent and that it approach the American government to request a new trial for Leonard Peltier.

After 16 years of imprisonment ,this the very least we can do.

* * *

[*Translation*]

MANPOWER TRAINING

Mr. Jean-Pierre Blackburn (Jonquière): Mr. Speaker, having been very involved in the issue in recent months, I note with disappointment today that, perhaps due to some bitterness, some of us are refusing to negotiate any administrative agreement with any province whatsoever.

I would remind you that in the constitutional negotiations, everyone saw an advantage in transferring labour force training to the provinces. How can one justify refusing to negotiate administrative agreements today? Economically it would save taxpayers $250 to $300 million and eliminate overlapping if manpower training were transferred to Quebec.

Quebec insists on negotiating such an agreement and we as a government cannot for long justify a seemingly intransigent attitude to our constituents. All parties concerned in Quebec are unanimous in considering the transfer of labour force training to be essential. Let us leave bitterness behind and work to improve—

The Acting Speaker (Mr. DeBlois): I am sorry to have to interrupt the hon. member, but his time is now up. The hon. member for Mount Royal has the floor.

* * *

[*English*]

HADASSAH-WIZO

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, today marks the 75th anniversary of Hadassah-Wizo, Canada's largest organization of 17,000 Jewish women, active from sea to sea, through their 276 chapters. Highly regarded at home and abroad as a force for good, they have been at the heart of Israel's history, its social and humanitarian development ever since its creation in 1917, the very year of the Balfour declaration and more than a generation before modern Israel became a reality.

• (1410)

In their high energy achievements and unrelenting pursuit of social betterment, they have championed an impressive number of causes vital to the well-being of Canadians as well as to the Jewish and Arab women and children in Israel. An outstanding training ground in community leadership skills, participants in all facets of their own communities' life, they also made significant contributions at the international deliberations for the Decade for Women in Mexico and Nairobi.

It is with some small measure of shared pride as a long time member that I salute their work, local and global, acts of loving kindness, *Mitzvot*. *Yasher Koach* as their's is not a simple task, it requires devotion to principle, as well as planned strategic action in cultural, educational, youth and elder care as well.

* * *

FRESHWATER FISH MARKETING CORPORATION

Mr. Rod Murphy (Churchill): Mr. Speaker, the previous Liberal government established the Freshwater Fish Marketing Corporation to buy and sell fish in much of northern Ontario, Saskatchewan, Manitoba, Alberta and the Northwest Territories. The FFMC has been both necessary and important for many who are involved in the fishing industry.

Unfortunately under both the Liberals and the Conservatives this agency has failed to provide the flexibility to meet the real needs of those who fish for a living. This was a major concern of a conference raised by delegates in Winnipeg last weekend, a conference that no federal minister deemed important enough to attend.

Why is it impossible to buy fish in many of the communities that are surrounded by the very lakes in which these fish are caught? Why do major cities in Canada not sell these same fish and why do those who fish for a living not have any effective role in making the decisions that determine their lives?

For the sake of the children of those who fish for a living, I ask the government to change the course and to work positively to solve the problems these people face.

* * *

CANADA SCHOLARSHIPS

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, high quality education and training are essential to Canada's future ability to remain competitive internationally. With the creation of the Canada Scholarships Program in 1988 as part of Innovaction, the Canadian Strategy for Science and Technology, and its extension to 1995–96, the federal government will have invested a total of $155 million to encourage young people to become educated in high technology and to ensure that an adequate supply of highly trained Canadians exists in the scientific and technical fields for the future.

I am proud to say that this week 48 such gifted students from the University of New Brunswick's faculties of Engineering, Computer Science and Science are receiving scholarships amounting to $2,000 per year over the next four years.

These young men and women will have the opportunity to compete for careers in fields where the forecasted demand for highly qualified people in science and engineering will exceed that of most other occupations. Canada scholars will not only be viewed as prime prospects by employers in industry and the public sector, but will lead Canada's participation in the high technology and knowledge based economy that the world will offer in the next century.

I know the House will join me in congratulating all recipients of Canada scholarships in this country.

* * *

[*Translation*]

DETERIORATION OF OZONE LAYER

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, as far as the ozone layer is concerned, the situation is serious and indeed urgent.

This year, the ozone layer reached its lowest level in decades and it is deteriorating at a faster rate than expected. Last month, the ozone layer above Canadian cities reached its lowest level in over 30 years.

This situation, is hazardous to human health. The deterioration of the ozone layer increases the risk of skin cancer and of cataracts that can cause blindness, and it has a disastrous impact on farm production. The health and well-being of Canadians and of the whole world are at stake.

Today, in Copenhagen, nearly 90 countries are trying to accelerate elimination of substances that destroy the ozone layer. I urge the government to take the kind of progressive position the occasion demands and show that Canada is capable of leadership in this field. The government must approve a specific and definitive timeframe for the complete elimination of methyl bromide and commit itself to banning the use of HCFCs. This is imperative, in order to protect human health.

* * *

[*English*]

STUDENT LOANS

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, the student loans program is under review currently. This review involves all aspects of the program. A frequent complaint received in my office is that the income ceiling disqualifies many prospective students from student loans and prevents their continuing education.

A student coming from a family with a total family income in the $35,000 to $40,000 range will have a difficult time securing a student loan, and chances are the application will require an appeal.

If Canada is to maintain its place as having a leading economy, we must ensure that those students with the desire and ability are able to continue their education.

The Secretary of State must address a high delinquency rate now running at one student loan in five. As well, he must also deal with steadily increasing administration costs.

With all this in mind, I urge the Secretary of State to work toward raising the maximum family income limits to ensure that our students have a chance to complete their education.

ORAL QUESTION PERIOD

[*Translation*]

THE ECONOMY

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, my question is directed to the Prime Minister.

According to the newspapers, in his speech yesterday in Montreal the Prime Minister said that he would enact policies that would be right for the country in the future. Canadians wonder why he failed to do so during the past eight years.

He also said that his current non-interventionist policies were in the best interests of our children.

Today 406,000 young people in this country between the ages of 15 and 24 are looking for work. The question is this: Will the Prime Minister do something so that these 406,000 young people will be able to go home at night with the satisfaction of having earned an honest living?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, in my speech yesterday in Montreal, I said that despite the problems that exist throughout the industrialized world today, there is some good news for the Canadian economy.

Canadian productivity has increased 5.2 per cent, while unit costs have dropped more than 5 per cent, which is a major contribution towards improving our productivity and our competitive position.

Furthermore, interest rates remain competitive, while inflation is now 1.6 per cent on an annual basis, the lowest of any major industrialized country.

The International Monetary Fund predicts that next year, the economic growth rate in Canada will be 4.4 per cent, the highest in the industrialized world. Even more important, among the G-7 countries, Canada will rank first on job creation.

Despite our own problems and those that exist in all major industrialized countries, the outlook for a strong and durable recovery in this country is bright and encouraging.

[*English*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, we have heard these predictions in the House for a long time. It is always like that: next year, next year and next year. The people of Canada know that the situation is very bad today.

Last night again the Prime Minister said that he always tries to do the right thing for Canada. In 1983 he referred in this House to: "that fundamental British tradition in this country, which calls for an election not in five years, but within four years, so that the people can judge the actions of this government".

When he want to Rideau Hall to announce the 1988 election, the Prime Minister said: "It has been the Canadian tradition to call an election after a government has completed four years of a mandate".

If it was right in 1983 and right in 1988, why does the Prime Minister not do the right thing and call an election? We are in the fifth year of the mandate.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the tradition to which my hon. friend refers is four years and our four years was on Saturday.

My hon. friend may want to wait a few days before we give him some news. However, given the solicitude of my hon. friend for a four-year mandate, I wonder what his reaction was around the cabinet table when the first Liberal government from 1968 to 1972 went four years and four months. The second Liberal government, from 1974 to 1979, went four years and ten months.

• (1420)

Some hon. members: Oh, oh.

Mr. Mulroney: Mr. Speaker, did the hon. member, who was then a minister, rise up at the cabinet table and say to Prime Minister Trudeau: "Prime Minister, this is wrong. You must call an election in four years or I am going to resign"?

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, there is a strong tradition in Canada too, that when a government waits till the fifth year, normally it loses the election, because it is an admission that they are afraid of the people.

The Prime Minister yesterday referred to the possibility of waiting until next fall. He might be about to repeat the experience of Mr. Hatfield in New Brunswick where he waited until the last minute to call an election. He

was waiting for something to happen, and something did happen: He got zero seats.

The Prime Minister was so happy with my statement that I thought he wanted to get up and announce the election right away. Now he says we have to wait a few days. Can he promise us he will make that announcement before Christmas?

Right Hon. Brian Mulroney (Prime Minister): I can assure you, Mr. Speaker, that when I get up to announce an election my hon. friend is going to wish I had sat down.

My hon. friend's knowledge of history is quite minimal, otherwise he would know that the party that violated the four years' rule more often than not was his. Of course, he was a member of the government and so—

Mr. Marchi: You had the option.

Mr. Mulroney: My hon. friend says I had an option. Here we go again. I always feel comfortable, Mr. Speaker, with a Liberal leader who is sitting twenty points ahead about eight or nine months before an election, calling for an election, because when it comes he always regrets the result.

Mr. Chrétien: Let's do it right now.

Hon. Herb Gray (Windsor West): Mr. Speaker, I also have a question for the Prime Minister. In his speech last night he said, in effect, that Canada's children would thank him and his government for its policies. Because of these policies 700,000 of Canada's children go to food banks; 700,000 children and more—a million children—live in poverty. There are record levels of unemployment among youth.

How can the Prime Minister honestly expect Canada's children to thank him for his policies since they mean nothing more for them now or in the future but the bread line, the unemployment line and the welfare line?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend knows full well that when he was first sworn in to government, the Government of Canada was spending 12 cents on the dollar to service its debt. When he left in 1984 it was spending 32 cents on the dollar, the worst record of any country in the industrialized world.

Had the Liberals remained in office and spent exactly the same percentage of the GDP on programs as they were then spending, the deficit this morning would be $82 billion on revenues of $128 billion.

What we are doing on behalf of the children and grandchildren of Canada is saving them from a future with nothing but debt, with no running room, with no flexibility. We want to provide them with a growing economy and we want to provide them with growing economic opportunities. The only way that we can do this is by managing the economy of Canada effectively today so that they

Hon. Herb Gray (Windsor West): Mr. Speaker, my supplementary question is also for the Prime Minister.

If Conservative government policies are so good for Canada, if they are the right ones for Canada, why are more than 1.5 million Canadians still out of work with little prospect of jobs for months and perhaps for years? Why is our economic growth so slow and so weak?

Speaking of deficits, why is this government's deficit for this year some $7 billion more than the Prime Minister's own Minister of Finance said it was going to be only last February?

In short, if the Conservative government's medicine is so good, why is the patient, the Canadian economy, still so sick?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I am not trying to suggest that we are not going through difficult times here and around the industrialized world.

Obviously unemployment is too high, but unemployment today is less than it was when my hon. friend last served in government. The day he turned the government over it was 11.7 per cent.

My hon. friend asks about progress. I suppose it is all relative. Ten years ago, when my hon. friend was a member of the government, it was coming out of a serious recession as well. It was not easy.

Mrs. Finestone: Not as badly as you.

Mr. Mulroney: My hon. friend says: "Not as badly as we were". Let us compare.

Ten years ago this morning the interest rates were 22.75 per cent in Canada. This morning the interest rates

are 9 per cent. Ten years ago this morning the inflation rate was 10.9 per cent and this morning it is 1.6 per cent.

The unemployment rate, notwithstanding what my hon. friend says, was in point of fact worse. The combination of these rates brought about the misery index which was the worst in the history of Canada under that party.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, the Prime Minister will know that democracy in Canada was founded on the convention that an election will be held every four years.

As a matter of fact, the Prime Minister said that we should honour this fundamental British tradition in this country which call for an election, not every five years, but within four years so that the people can judge the actions of the government.

The Prime Minister will also know that during peacetime, only three times this century has a government extended its mandate beyond that four-year period. The Prime Minister will also know that during his time in office, the lives of Canadians are worse than when he assumed office. He knows that his program has essentially failed the people of Canada.

Would he do the children and the grandchildren of Canada the ultimate favour, give them a Christmas present by calling an election today?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, only a deepest commitment to the fundamental precepts of Judaeo-Christian charity would prevent me from calling an election in the interests of the NDP today because there would not be one of them left if an election was called today. They do provide value to this House of Commons.

Mr. Martin: Sometimes.

Mr. Mulroney: The statistics of my hon. friend in regard to this government are of course quite false. The information that he has imparted to the House is misleading and I know that he would want to withdraw it in much the same way as he says that only three times in this century have governments gone beyond four years. They have gone six times beyond four years and many times have been successful.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, at our standing in the polls, we are quite prepared to go to the people today. I challenge him to do the same thing.

On the weekend the Prime Minister said that for the sake of our children, we have to get the fundamentals in place. We have to stay the course. What does this course mean? It means we have a crisis in transport. We have a crisis in agriculture. We have a crisis in fisheries on both the east and the west coasts. We have a crisis in debt management. However, we have a growth in banking. Back in 1981 there was one food bank. Today under this government, we have 348 food banks across Canada. There has been a tremendous growth in food banks thanks to the government's policies.

• (1430)

The people have definitely lost confidence in this government. That is why we are in this crisis situation today in terms of the dollar and interest rates. They have lost confidence.

In the best interest of our children and our grandchildren, will the Prime Minister do the right thing, either change course or for goodness' sake, call and election?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend says that because of the polls people have lost confidence in the government and therefore this government should resign. Would he give the same advice to the NDP in Ontario?

Some hon. members: Oh, oh.

Mr. Mulroney: I am not suggesting he should. I am just wondering if he has or if he would consider it.

My hon. friend refers to the realities. I have indicated what the fundamentals are according to the IMF and my hon. friend should take some encouragement from this. Canada is expected to lead the G-7 in economic growth in 1993 with a growth rate of 4.4 per cent. We are expected to lead the industrialized countries with the lowest inflation rate in the neighbourhood of 2 per cent in 1993. But much more important, Canada is forecast to lead the G-7 countries in terms of employment growth. That means we have the fundamentals right, irrespective of the nature of the international difficulties and that Canadians will benefit from the programs we have put in place.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, we are getting sick of hearing this Prime Minister serving up Tory-light as a way to respond to these very serious

concerns being raised by members of the opposition parties.

Not only are the New Democrats calling for a change of course, but members of his own caucus are as well. I have before me a letter from a member of his own caucus, in fact a previous cabinet minister, which says: "I believe that the government should not proceed at this time with some of the fundamentals, namely the North American free trade agreement, and should publicly commit itself and all its resources to the goal of full employment".

If the Prime Minister does not listen to the New Democrats, if he does not listen to the people of Canada, will he at least listen to members of his own caucus who are saying abandon NAFTA and turn his attention to creating full employment in this country?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I will be happy to listen to that member of caucus if my hon. friend will assure me that he will listen carefully to Mel Hurtig.

Mel has said, and he said this without having received a federal subsidy, that the NDP is through and that the Liberals do not have much of a chance. My fear is that he may wind up supporting me.

* * *

TRADE

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, my question is for the Prime Minister.

This weekend the President of Mexico said that he will be meeting in January with President-elect Bill Clinton to negotiate a solution to the problems of NAFTA, including new issues such as immigration and extradition. Contrary to what this tired old government has been telling Canadians, we are now in fact facing *de facto* changes to NAFTA.

Will the Prime Minister recognize there are deep problems with that NAFTA agreement? It is now time to put forward a Canadian agenda for changes to trade agreements to promote Canadian interests.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend is of course quite wrong. There are no deep problems with NAFTA at all. NAFTA will be signed and implemented as it has been agreed upon.

The President-elect of the United States has indicated that for example with regard to Mexico there are some difficulties on the environment, particularly between Mexico and the United States. There are some immigration problems between Mexico and the United States that are widely known and that have nothing to do with the substance of NAFTA. In the course of negotiating this, apparently they feel it would be appropriate to conclude some parallel arrangements that might help them deal with these two or three specific problems. So be it, we wish them well. They have nothing to do with the fundamentals of NAFTA, which will remain intact.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, it is a sign of the total bankruptcy of ideas of this government that it does not recognize that the ravaging of the environment and the reduction of standards for workers are not part of a trade agreement because we already have seen a loss of 350,000 jobs in the manufacturing area for Canadians alone. Most of all we should know what a bad trade agreement can do to workers and to the environment.

I want to ask the Prime Minister again why does this lame duck government that has lost all credibility with Canadians persist in trying to ram through a trade agreement that will be destructive to the future of young Canadians?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, trade between Canada and the United States has increased by $16 billion since the free trade agreement was signed between Canada and the United States.

My hon. friend raises the question of trade. Trade has increased dramatically between Canada and the United States. The forecast on the first six months of this year indicates an increase of 10.5 per cent of trade between Canada and the United States raising our exports to $119 billion. That is the largest trade arrangement between Canada and the United States ever, and the most successful.

Mr. Axworthy (Winnipeg South Centre): Current account deficit.

Mr. Mulroney: My hon. friend is now talking about current account. I would be happy to discuss that. We are talking now about export trade. Our exports to the United States are at a record level. In light of this and foreign investments have increased—

Mr. Axworthy (Winnipeg South Centre): The largest current account deficit.

Mr. Speaker: The right hon. Prime Minister has the floor and is answering the question.

Mr. Mulroney: Foreign investment has increased in Canada by $6.5 billion net, I believe, since the free trade agreement was signed. So we are very much in favour of the free trade agreement, as is President-elect Clinton.

My question to the hon. member would be: The NDP has the position that it is going to abrogate the free trade agreement. It is going to tear it up. What is the position of the Liberal Party of Canada in respect to the free trade agreement?

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, the answer is very clear. We will negotiate a good agreement. We are not going to do like either the Tories in Ottawa or the NDP in Ontario. We are not the Bobbsey Twins of the apocalypse, Mr. Speaker.

[*Translation*]

My question is for the Minister of Industry, Science and Technology. The government persists in hanging on to power and doing nothing. For example, no industry is more affected by the government's inertia than the steel industry. No industry is in greater need of a good free trade agreement, which the government has not delivered.

That being so, and since the government refuses to reopen negotiations, what exactly does the government intend to do to give us what it says it supports, a real North American steel pact?

[*English*]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, as I indicated in the House just last Thursday, I told the hon. member and members opposite that we have had significant discussions with both the Canadian industry, management as well as the union leaders. We have raised this particular issue with the U.S. government, the Prime Minister with the President, myself with Carla Hills, and our embassy representatives with a wide range of people in the administration. We have been told that there is no support for this as far as the U.S. industry is concerned.

We are seeking ways to try to encourage that support with the industry using the various contacts we have. If it is possible to get a U.S.-Canada steel accord we are very supportive of that. We have made that clear all along. But one cannot just turn the tap on and say we will have a steel accord. There has to be agreement on both sides. That is what we are trying to build right now.

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, if there were support by the U.S. industry then the Canadian industry would not need this government to go to bat for it. If you can understand that, that is when you are needed and then you should act and if not, then you have not acted.

On another subject, President-elect Clinton said last week that he would like to see the North American free trade agreement extended to Chile and Argentina as soon as possible. To extend the NAFTA with its current bias against Canadian exporters would only make a very bad situation worse. Why has the Canadian government not taken the lead with the governments of Mexico, Chile and Argentina? Why has Canada not indicated or demonstrated that it is in the common interest of all potential signatories to make the removal of U.S. harassment, the misuse by the United States of anti-dumping suits, a condition precedent to any further agreements?

• (1440)

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I may have missed something in the exchange. I am trying to understand the position of the Liberal Party. On the one hand we have the critic from Winnipeg saying that he wants us not to go ahead with this deal, that he wants us to renegotiate the deal whatever that means. On the other hand, we have the critic from Montreal saying that he wants us to expand the NAFTA, that he wants to see it go to Venezuela and Chile.

What is the position of the Liberal Party of Canada? Are you for it? Are you against it? Are you right down the middle? Because it is very uncomfortable being right down the middle.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I have to say that I finally agree with the trade minister on some comment in the House of Commons.

This government talks about getting the fundamentals right. I have here dozens of free trade sector studies that were forced out of the government in 1986 under access to information. They provide the industry-by-industry cost comparisons which are needed to judge the effects of any trade agreement.

Will the trade minister tell us why he has not released similar sector-by-sector studies on free trade with Mexico? Does he not realize that one of the key fundamentals for all Canadians, their children, and their children's children is being open and honest with information?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, last week in committee I drew the attention of the committee to pages and pages of studies that have been done by this government and others within Canada, within the United States and within Mexico. There are studies after studies after studies if my hon. friend wants to spend the time dealing with them.

Let me just draw his attention to some specific facts, not studies about what the future might bring, but facts about what has happened under the free trade agreement which my hon. friend opposite says is such a disaster and which the member from Winnipeg says is such a disaster.

Mr. Langdon: Answer the question.

Mr. Wilson (Etobicoke Centre): My hon. friend is having a hard time keeping his mouth shut and trying to listen to the answer at the same time.

Mr. Speaker: We will move on.

* * *

THE ECONOMY

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, the fact is that there have been no sectoral studies.

My question is for the Prime Minister who has said that his government has the fundamentals right and that it will stay the course. I am wondering what these fundamentals are. Is it the nearly 58,000 bankruptcies so far this year? Is it the nearly 400 plant closures in Ontario, the 3.5 million people on UI or welfare, the 405 new food banks, or is it the 20 per cent of the population that already has half the wealth while getting still more? Is this the dreadful path of fundamentals on which this government will stay the course for the benefit of our children?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the fundamentals, if we are going to enjoy sustained growth, are low inflation, low interest rates, higher economic growth, all of which are forecast by the IMF, but more important high productivity growth and low unit costs. For the first time in many years Canada's productivity increase this year is twice that of the United States and higher than all of the other G-7 countries. These are most encouraging points even though—

Mr. McCurdy: To whom?

Mr. Mulroney: Well, my hon. friend says to whom. All that indicates is a great deal of ignorance because it is to all Canadians.

The only way we are going to increase wealth is by enhancing productivity. That is the only way to sell products abroad, thereby creating jobs at home.

* * *

FISHERIES

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, my question is for the Minister of Fisheries and Oceans. It concerns the scientific evidence released by his department on Friday which recommends further drastic cuts to cod quotas in Atlantic Canada.

Obviously the advice cannot be ignored, but the minister knows that these quota cuts will lead to thousands of job losses in fish plants in communities across Atlantic Canada.

Will the minister inform the House what measures his government has in place to assist those individuals and communities and on what date this compensation program will be announced?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, on Friday I made public the advice from CAFSAC, from our scientists with reference to the total allowable catches that should be put in place for 1993 in the Atlantic groundfish fishery.

With reference to most stocks their advice is that these stocks are under pressure and the total allowable catches should be reduced very considerably; in fact up to 70 per cent in the case of one of the stocks involved. This will have a serious impact on the Atlantic groundfish fishery, particularly in Cape Breton, eastern Nova Scotia, the

west side of Newfoundland, the south coast of Newfoundland, and parts of New Brunswick.

The next step is to meet with the industry again and with the provincial governments to get their advice on what they think of this scientific advice—it is advice that we can accept or amend if we wish—and how they think a reduction should be put in place.

If extraordinary assistance is needed for some fishermen, certain gear types or whatever that will not be able to make a living or meet their expenses because of these reductions, I have no doubt that some assistance will be put in place.

First a decision has to be made and that will not be made until the middle of December. Then we will have to see what 1993 brings.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, that is a tired answer from a tired minister of a tired government.

The minister of fisheries knows that these cuts will close entire communities in Atlantic Canada, including perhaps Petit de Grat in my constituency.

Restructuring the fishery over the long term is certainly necessary, but will the minister not admit that part of the task of rebuilding the fishery is to support the people who will depend on it when it is rebuilt?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I do not feel particularly tired, but if I am tired it has not stopped me from assisting 20,000 fishermen in the province of Newfoundland when we had to declare a northern cod moratorium. It has not prevented me from working so that the Grand Bank plant, the Gaultois plant and others have come back from certain disasters that they suffered.

We will continue to do that, but we cannot put a plan in motion until decisions are made as to what total allowable catches should be.

We have to recognize the fact that the unemployment insurance program is in place, that many fishermen and fish plant workers are on that program now, and that whatever the effects will be of the 1993 Atlantic groundfish management plan there can be no effects until it is put in place. If there are effects then which cannot be met by regular government assistance programs I have no doubt that with the support of the Prime Minister, which I have had to date and which I am sure I will always have when it comes to helping people, we will put in place a plan that will help those who need that assistance.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, let us put the question to the Prime Minister who I know is not tired of or bored by the plight of Atlantic fishermen and plant workers.

Will he go to bat in cabinet for those people affected by last week's quota cut proposals? Does he condone the discrimination that is implicit in his minister's response whereby he gives compensation to northern cod fishermen but refuses to do it for other Atlantic fishermen and plant workers, including those in the plant at Ramea, for example?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, the hon. gentleman knows better, although we will never know in this House that he knows better.

The situation with respect to the northern cod fishery was that scientists recommended they found conditions unparalleled in any other fishery. They recommended that the TAC be reduced to the lowest level possible and that it should in no way exceed 50,000 tonnes of fish which was already just about caught for that particular year. They pointed out that there were two year classes, 1986 and 1987, which had to be saved so that they would reach spawning age, or the stock itself might very well not survive.

• (1450)

This is unparalleled in any of these other fisheries. In none of these other fisheries do the scientists recommend that there be a moratorium or that the stocks be reduced to the lowest level possible. Therefore we do not have similar situations. We have stocks with a spawning biomass about half the long-term average or higher.

I cannot close fisheries, unprecedented actions never before taken in the history of Canada, simply because the hon. gentleman represents an area which is not a

northern cod area but where they are having difficulties with the fishery.

There have been good seasons and bad seasons in the fishery for 400 years. I am not going to close a fishery unless I have absolutely no other alternative. Where fishermen and plant workers require assistance I will do my best to see they get it. I have never been too tired to do that and I will never be too tired to do that.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, maybe the minister could expend some of that energy on the Ramea people. There is a case that he has skated all around but has not addressed, and I ask him to do that.

My supplementary question is for the same minister. Is the real reason he is not declaring a moratorium on the south coast of Newfoundland at 3PS and in the gulf that he will then have to provide compensation as he has done with the northern cod? Is that not the real reason he is hiding behind a partial closure to avoid the compensation?

Why does he not come clean with those fishermen? He can shout and bellow all he wants. Those people are hurting just as badly as those involved in the northern cod fishery.

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, every government program involving the spending of hundreds of millions of dollars has to have rules and regulations.

With respect to the Northern Cod Compensation Program we made a very generous rule, that for fish plant to be eligible it would only need to have a throughput of 10 per cent, and that particular plant's throughput should be the northern cod in either the year 1990 or the year 1991. It was a very generous provision.

In the case of the plant at Ramea it did not have a 10 per cent throughput of northern cod in either 1990 or 1991 because the people managing that plant did not apparently choose to put northern cod through the plant. Therefore the plant is not eligible for northern cod. I cannot make it eligible for northern cod. It does not meet the rules of the program. I invite the member—

Mr. Speaker: I am going to move on.

* * *

[*Translation*]

GUN CONTROL

Mrs. Lise Bourgault (Argenteuil—Papineau): Mr. Speaker, my question is for the Minister of Justice. The federal Minister of Justice is not unaware of the law enforcement problems faced by the Sûreté du Québec on Mohawk reserves. Since the Mohawks have recently said through their leaders that they do not intend to comply with the new federal gun control law, what has the minister planned with the Sûreté du Québec to enforce this law on Mohawk territory and can she assure us that there will be no exception and this law will apply to everyone?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, the gun control laws apply to all Canadians. No exception has been made for native people or any other group. This was true before the recent amendments took effect and it is still true today.

As for enforcement of the gun control laws, the hon. member knows that the administration of justice is in provincial jurisdiction. It is not up to us to enforce the law in Quebec; it is up to the Attorney General of Quebec and the Minister of Public Security in that province. It would be presumptuous on my part and inappropriate to tell them how to do their job.

Nevertheless, the Government of Quebec has already asked the federal government for help, which has been duly provided. It is not our business to intervene in fields under provincial jurisdiction unless we are expressly asked to do so.

Unless and until such a request is made to the Government of Canada—

[*English*]

Mr. Speaker: I want to move on.

* * *

THE ECONOMY

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, my question is for the Prime Minister. At $500 a plate Conservative Party fund raisers the Prime Minister has been bragging about his government's

economic policies. He says: "We have got the fundamentals right. We are staying the course".

Yet with unemployment at over 1.5 million and growing, child poverty at 1.1 million and growing, and social assistance recipients at 2.6 million and growing, this is not the sort of progress we need.

For the sake of Canada and their children, will the Prime Minister finally admit his government's mistakes, change course and help make life better for Canadian families, not worse?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend refers to unemployment and says it is growing. That statement is false. Then he refers to child poverty and says it is growing. That statement is false as well. The prefatory remarks by my hon. friend are misleading, inaccurate and bear no reflection whatsoever of the latest economic realties.

I have already indicated that the best way we can preserve economic opportunities for our children is to make sure that we do not burden them any further with debts to pay for today's programs. The best way to do that is to increase our productivity, to increase investment, to open new trading opportunities, and to invest in human resources to provide them with appropriate opportunities in the future. That is exactly what we are in the process of doing.

* * *

BREAST IMPLANTS

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, the Prime Minister has said that he plans to stay the course and give us more of the same. I hope the Minister of National Health and Welfare can assure women in Canada that he will not be giving us more of the same.

There have been increasing reports that saline breast implants may be the host for fungus infection and their safety is in question. At the same time the six-month voluntary moratorium for silicone gel implants has expired.

Will the minister advise Canadian women what he intends to do regarding both the saline and the silicone breast implants?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, with regard to the saline breast implants, the member knows that report came out very recently. Normally those implants were considered as safe and were even recommended to replace the silicone gel breast implants. The department is looking at the report to see if it is necessary to take action and, if so, we will do that.

In terms of the moratorium the member will understand that with the referendum we had to postpone some answers to the reports to the House on hepatitis b, on breast cancer and on the moratorium.

I will come forward soon with answers to their reports and give my answer to the moratorium on silicone gel breast implants.

* * *

ROUGE VALLEY

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, my question is for the Minister of State for the Environment.

Last Friday the Ontario NDP government's Interim Waste Authority published its short list of three proposed sites in York region to handle 40 million tonnes of metro's garbage, and I was astounded to hear that site M-6 which borders on the Rouge Valley was on the short list.

On Friday I announced that if the NDP government were foolish enough to proceed with this site, my government would seriously consider terminating the $10 million financial commitment we made in 1988 to help create the Rouge Valley Park.

Does the minister agree that the IWA and the Ontario NDP government should be put on notice that we strongly object to site M-6 being on the short list?

Hon. Pauline Browes (Minister of State (Environment)): Mr. Speaker, I am very pleased to have an opportunity to respond to the member's question.

There has been constant vigilance by our government and Canadians have worked to persuade successive Ontario governments of the need to protect and preserve the Rouge Valley in the national interest as a magnificent park in the greater metropolitan Toronto area.

• (1500)

This latest NDP announcement certainly flies in the face of the position of the federal government and, indeed, of Canadians that the Rouge Valley be established with no expressways, no development and no dumps. Our government is working diligently to preserve its historic and natural aspects. We look forward to working with the provincial government in order to preserve this and we need to preserve its magnificence today.

* * *

AIRLINE INDUSTRY

Mr. John Manley (Ottawa South): Mr. Speaker, my question is for the Minister of Transport. The Prime Minister said on December 9, 1983: "It does happen that a government sits too long. It does become exhausted and bankrupt of ideas".

Will the minister tell us how the government now proposes to provide Canadians with a stable, competitive and Canadian-controlled airline industry, or will he acknowledge that this exhausted government is bankrupt of ideas?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I would like to remind the hon. member that last week I said many times in this House that we had received a joint proposal from PWA and its council of employees on either Tuesday, November 10 or November 17.

Since that time we have been working diligently with all parties to try and go over the different hurdles there are in this proposal. We are working to arrive at a solution that will assure the airline system in Canada of stability over a long-term period and the viability of the components.

* * *

HEALTH CARE

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, my question is for the minister of health.

One of the most telling signs that this is a tired and old government has been in the placement and treatment of health care in this country for the last four years.

Last week the minister was asked to respond to the very serious issue of tainted blood in the Canadian blood supply system. The minister at that time refused to have a public and impartial inquiry. Today we stand again in this House and ask the government to provide for an independent inquiry to ensure that the blood supply system in this country is protected.

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, there is no reason to change the decision that I gave to the House last week. I said at that time that from the information provided there is no reason to believe that what happened in 1984 should trigger the kind of inquiry he is referring to, except if there is any new evidence, any new information that would make this inquiry necessary.

I also said last week that I would be ready to do so. However, with the information we have, there is no reason for an inquiry. He knows that his colleague from Winnipeg, with two or three other members, has decided in the subcommittee on health to consider some kind of inquiry. We will collaborate and I believe should wait for the result of that inquiry at the parliamentary level.

ROUTINE PROCEEDINGS

[*Translation*]

PETITIONS

REQUEST FOR ELIMINATION OF VIOLENCE IN OUR SOCIETY

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I wish to table a petition signed by residents of Amos, La Motte, Landrienne, Senneterre, La Corne, Saint-Marc-de-Figuery, Berry, Villemontel, Saint-Félix-de-Dalquier and Préissac, in Abitibi. Your petitioners are of the opinion that films depicting violence on television are dangerous and should be banned because they generate more violence.

This petition says that toys that encourage violent games are unacceptable and that the manufacture thereof should be banned. It also points out that when acts of violence are reported, freedom of the press should be restricted, and that news about acts of violence, broadcast repeatedly on all channels and on radio, can lead to further, identical acts of violence.

Wherefore your petitioners humbly pray and call upon Parliament to pass legislation dealing with the points mentioned, in order to eradicate violence in our society, provide better safeguards for our children and improve the quality of life of everyone in this country.

GOODS AND SERVICES TAX

Mr. Peter Miliken (Kingston and the Islands): Mr. Speaker, I have the honour to present a petition signed by several residents of Kingston and other cities, in Ontario and other provinces, who object to the goods and services tax, but especially to the tax as it is applied to books.

[*English*]

The petitioners are appalled that Canada is one of the few countries if not the only country in the western world, that taxes the reading of books, magazines and newspapers.

One might expect such a law in a totalitarian state but not in a free democratic country like Canada where the printed word is one of the cornerstones of our freedom and where magazines and newspapers and freedom of the press are considered one of our great freedoms and indeed, a very important freedom in Canada.

These petitioners call upon Parliament to repeal the goods and services tax in so far as it applies to publications. I am pleased to support and present this petition.

RAILWAY SAFETY

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, it is a pleasure for me to introduce a petition on behalf of many people in the Stewiacke, Nova Scotia area.

The petitioners request that the Royal Canadian Mounted Police be vested with the statutory authority to enforce all existing and future safety regulations and provisions under the Railway Safety Act where currently they have no power or authorization to investigate or intervene on behalf of the citizens when a breach of the said act is committed.

This petition results from a series of accidents at the railway crossing at Stewiacke. The people there are most concerned that the provision is not properly enforced, in their opinion. Perhaps this petition will help get that enforcement.

HUMAN RIGHTS

Mr. Mac Harb (Ottawa Centre): As you know, Mr. Speaker, the communist authorities of Vietnam vowed during the seventh congress of the communist party that it will use all means necessary to maintain the power of the party.

Some of my constituents, Canadians of Vietnamese origin, have signed petitions calling on the government first, to encourage and pressure the Vietnamese government to abandon its inhumane policies and restore civil and humane rights in Vietnam; second, that all Vietnamese regulations, codes and constitutional provisions prohibiting free expression or denying freedom of association or religious freedom be eliminated; and finally, that the Vietnamese government and the communist party of Vietnam make a formal commitment to permit free and fair elections under international supervision so that the citizens of the country may determine the future leadership and orientation of their government.

IMMIGRATION

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I have two petitions I wish to present. The first one is signed by several hundred members of New Westminster and my own riding. It points out that family class and assisted relative immigrants have been historically an important part of Canadian immigration policy and that assisted relatives and family class immigrants have people in Canada that can assist them with obtaining employment, housing, and learning Canadian customs and language.

The petition goes on to point out that the present proposals by this government will downplay assisted relatives and family class and calls on this government to develop a policy that gives first priority to family class and assisted relatives.

INDIA

Mr. Jim Karpoff (Surrey North): Mr. Speaker, the second petition points out that approximately 75 per cent of all activity in the Delhi office in India comes from the Punjab, for visitors' visas and immigration cases. It points out that it is very difficult for people to travel within India from the Punjab down to Delhi and is often not safe.

The petitioners call upon this government to establish a consular service in the Punjab.

NARCOTICS CONTROL ACT

Mr. Sergio Marchi (York West): Mr. Speaker, the battle against drugs is being waged in virtually every Canadian community across our country. It is sad to see in many of these same communities that the battle is being lost to those who wish to spread this malaise across the country, particularly among our youth.

• (1510)

Therefore I am proud to present two additional petitions of a wider campaign. Petitioners of my riding of York West ask the government as one possible tool with which to aid those frontline organizations in the battle that the Narcotics Control Act be amended so that the assets from drug seizures can be shared with local police organizations and community associations.

In this way those funds would not only go into the general revenue fund at the federal level but would get reinvested, if you will, with organizations that are on the front lines of trying to combat this malaise that is afflicting all too many Canadians.

VIOLENT CRIME

Mrs. Diane Marleau (Sudbury): Mr. Speaker, issues of personal safety and security are high in the minds of Canadians these days as we hear many stories.

Today I stand again in memory of Rosalynn Dupuis, the nine-year old girl who was brutally murdered. People are signing the many petitions which are being circulated asking that the government reconsider its way of dealing with serious crimes committed by young offenders.

People from across Canada are signing these petitions asking that the government act and act quickly.

BILL C-91

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I have a petition signed by people from many provinces who are deeply concerned that Bill C-91, which has recently been in front of the House and is now in committee, seeks to end the licensing of no-name generic drugs in Canada.

Most observers have pointed out, including the government's own analysts, that this will result in significantly higher costs for consumers, for provincial governments, and therefore for taxpayers across this country.

The petitioners, on whose behalf I have the honour to present this petition, ask this House of Commons not to proceed with Bill C-91 and to repeal Bill C-22 which was passed in 1987. It extended at that time the privileges given to the multinational drug companies, those brand name companies which have been so profitable in the past and which will be even more profitable in the future with this new legislation. I hope it is rejected.

VIOLENCE AGAINST WOMEN

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, pursuant to Standing Order 36 I have the privilege of presenting petitions signed by thousands of constituents. They humbly pray and call upon Parliament to accept legislation designed to eliminate violence against women and children.

The petitioners ask and encourage and support women to report incidents of assault or abuse. They want this Parliament to develop legislation to provide assistance and support for women reporting assault or abuse. They want to make sure that we concentrate a special effort on the training of police, lawyers, court workers and judges to become knowledgeable about woman and child abuse and also to focus public attention on this very important and long ignored problem.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk)

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, the following questions will be answered today: Nos. 344 and 391.

[*Text*]

Question No. 344—**Mr. Wood:**

Since 1988, with respect to logging on federally owned land, (*a*) how many licences have been awarded (*b*) who received these licences (*c*) for how long were the licences in force (*d*) what is the allowable harvest for each licence (*e*) how much land has been reforested as a percentage relative to the land logged over this same period?

Hon. Frank Oberle (Minister of Forestry): Since 1988, with respect to logging on federally owned land:

(a) Licences have been awarded for three properties.

(b) The licences were awarded to:

(i) Canadian Forest Products Ltd. (Canfor), for Timber Berth 408 in Wood Buffalo National Park, Alberta.

(ii) Cariboo Indian Enterprises Ltd, for a property owned by the Department of National Defence and managed by the B.C. Ministry of Forests: Lot 7741, Chilcotin Military Block at Williams Lake, British Columbia.

(iii) Crestbrook Forest Industries, for lands owned by the Department of Energy, Mines and Resources and managed by the B.C. Ministry of Forests: Dominion Coal Blocks—parcels 73 and 82, near Cranbrook, British Columbia.

For each property the following table indicates, respectively:

(c) The duration for which the licence is (was) in force.

(d) The allowable harvest or annual Allowable cut (AAC).

	Duration of licence	Date of expiry	AAC (m^3)
(i) Wood Buffalo	21 years (*1)	year 2002	4000,000 (*2)
(ii) Chilcotin	15 years	year 1997	31,000 (*3)
(iii) Cranbrook	3 yrs + 8 mths	April 1993	21,2000

Notes: *1 The licence was declared invalid on June 12, 1992
*2 Due to controversy surrounding the licence, no logging has occured since 1990. Actuel havest levels were roughly 50 per cent of the AAC.
*3 In response to native land claims no logging has occured since 1989.

(e) The estimated percentage of land reforested relative to land logged for each property is as follows:

(i) Timber Berth 408, Wood Buffalo National Park: approximately 20 per cent of the area harvested has regenerated naturally. There has been no artificial reforestation.

(ii) Lot 7741, Chilcotin Military Block: Natural regeneration is the prescribed method of reforestation, but the extent of land regenerated is not known since no surveys have been taken in the last five years.

(iii) Dominion Coal Blocks: An estimated 100 per cent of the land harvested is reforested as a condition if the terms of the forest licence.

Question No. 391—**Mr. Caccia:**

Was there a decision made to install a new set of advanced short-range radars as part of the $1.3 billion North Warning System and, if so, what were the reasons motivating that decision and, specifically, who are the potential enemies that would warrant the construction of this radar system?

Hon. Marcel Masse (Minister of National Defence): Yes, the 1985 memorandum of understanding between the Governments of Canada and the United States sets out the parameters for the construction of the North Warning System (NWS) and outlines the terms of a decision to install a set of short-range radars as part of the NWS. As part of the North American Air Defence Modernization Program, the NWS will assist in providing comprehensive coverage of aerial approaches to the North American continent. With the end of the cold war the importance of such coverage for Canada has become less a question of potential enemies than of being able to conduct effective surveillance over the approaches to Canadian airspace. The maintenance of this capability is an important aspect of Canadian sovereignty and security.

[*English*]

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

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, if Questions Nos. 355, 393 and 409 could be made Orders for Returns the returns would be tabled immediately.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House that Questions Nos. 355, 393 and 409 be deemed to have been made Orders for Returns?

Some hon. members: Agreed.

[*Text*]

Question No. 355—**Mr. Whittaker:**

With respect to board meetings of the Canada 125 Corporation, (*a*) what amount has been spent to date to hold them, (*b*) which directors attended each meeting, (*c*) who else attended them, (*d*) in what province, city and resort or hotel were they held, (*e*) what was the transporation cost of each attendee, and (*f*) which attendees travelled first class or business class?

Return tabled.

Question No. 393—**Mr. Karpoff:**

With respect to Goods and Services Tax refunds, (*a*) how much has been rebated in each calendar month since January 1, 1991 (*b*) how many refund claims have been accepted and rejected in this period (*c*) what is the estimated amount of fraudulent or illegal refunds (*d*) what is the dollar amount of illegal refunds that have been recovered (*e*) what steps have been taken to reduce the amount of illegal refunds?

Return tabled.

Question No. 409—**Mr. Barrett:**

Does the Minister of International Trade have a computerized list of opponents of the North American Free Trade Agreement and, if so, what are the names on the list and what is the distribution of the list?

Return tabled.

[*English*]

Mr. Edwards: Mr. Speaker, would you be so kind as to call Starred Question No. 374.

I ask that the answer to Question No. 374 be made an order for return and this return would be tabled immediately.

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

Some hon. members: Agreed.

[*Text*]

*Question No. 374—**Mr. Saint-Julien:**

Has the government since 1964 forgiven any loans made under the Canada Student Loans Program and, if so, what are the amounts forgiven since 1964 (*a*) per year (*b*) per province (*c*) per financial institution (*d*) per university (*e*) per student, and what are their names?

Return tabled.

[*English*]

Mr. Edwards: I ask that all remaining questions be allowed to stand.

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

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

IMMIGRATION ACT

MEASURE TO AMEND

The House resumed consideration of Bill C-86, an act to amend the Immigration Act and other acts in consequence thereof, as reported (with amendments) from a legislative committee; and Motions Nos. 14, 17, 18, 19, 20, 32, 40, 41, 68 and 80.

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

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): The vote is on Motion No. 14. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the motion is deferred.

The next vote is on Motion No. 17. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the motion is deferred.

The next vote is on Motion No. 18. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the motion is deferred.

I remind hon. members that the vote to be held on Motion No. 18 will apply to Motions Nos. 19 and 20.

• (1520)

[*English*]

The next vote is on Motion No. 32. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 40. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 41. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion No. 41 agreed to.

The Acting Speaker (Mr. DeBlois): The next question is on Motion No. 68. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion No. 68 agreed to.

The Acting Speaker (Mr. DeBlois): The next question is on Motion No. 80. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Hon. Thomas Siddon (for Minister of Employment and Immigration) moved:

Motion No. 15.

That Bill C-86 be amended in the French version of Clause 15 by striking out line 32 at page 27 and substituting the following therefor:

"(2) À moins que l'agent d'immigration ou l'arbitre n'en décide autrement par écrit, la durée de l'autorisation de séjour".

Mr. Ross Reid (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, this amendment is simply to make sure that we amend the French so it is consistent with the English. This was an amendment that we moved and was accepted in the legislative committee. It is important that both languages reflect the same intent.

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

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): The question is on Motion No. 15. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion No. 15 agreed to.

[*Translation*]

The Acting Speaker (Mr. DeBlois): We will now proceed to the consideration of Motions Nos. 23, 24, 25, 26, 27, 28, 29, 64, 67 and 71, as well as Motions Nos. 31, 34, 36 and 66, which are grouped for the purposes of debate.

Mr. Dan Heap (Trinity—Spadina) moved:

Motion No. 23.

That Bill C-86 be amended in Clause 35 by striking out line 16 at page 45 and substituting the following therefor:

"an appeal from that order has been allowed or unless the person satisfies an adjudicator, upon application, that there are good reasons why the claim was not made prior to the issuance of the removal order, and that the claim is not obviously unfounded".

[*English*]

Motion No. 24.

That Bill C-86 be amended in Clause 35 by adding immediately after line 19 at page 45 the following:

"(2) A person who expressses a fear of persecution shall be advised by the immigration officer of the availability of the refugee determination process."

Motion No. 25.

That Bill C-86 be amended in Clause 36 by striking out line 6 at page 47 and substituting the following therefor:

"be returned and where the person can remain, unless the person satisfies the Refugee Division that the person has a well-founded fear of persecution in that country;".

Motion No. 26.

That Bill C-86 be amended in Clause 36 by striking out lines 7 to 13 at page 47.

Motion No. 27.

That Bill C-86 be amended in Clause 36 by striking out line 13 at page 47 and substituting the following therefor:

"graph 114(1)(*s*), and that is a country that has undertaken by means of a bilateral agreement with Canada or by means or a multilateral agreement to readmit and determine the refugee claims of persons who are returned to its territory from Canada;".

Motion No. 28.

That Bill C-86 be amended in Clause 36 by striking out line 13 at page 47 and substituting the following therefor:

"graph 114(1)(*s*), and the person has no immediate familial ties to Canada that would make Canada the logical country of first asylum;".

Motion No. 29.

That Bill C-86 be amended in Clause 36 by striking out lines 16 to 21 at page 47 and substituting the following therefor:

"by a competent person or body not to be a Convention refugee, or not to be eligible to have the claim determined by the Refugee Division, unless the person can satisfy the Refugee Division that there has been a change in circumstances that justifies a reconsideration of the original decision;".

Mr. Allmand: Mr. Speaker, with the permission of the House I would like to move Motion No. 31 separately.

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

Some hon. members: Agreed.

Hon. Warren Allmand (for Mr. Comuzzi) moved:

Motion No. 31.

That Bill C-86 be amended in Clause 36 by adding immediately after line 36 at page 47 the following:

"(1.1) Notwithstanding paragraph (1)(*ita*ro), a person is eligible to have a claim determined by the Refugee Division if, in the opinion of the Senior Immigration Officer, the person has a credible basis for a well-founded fear of persecution for reasons of race, religion, nationality, membership in a particular social group or

political opinion in the country that recognized the person as a Convention refugee."

Mr. Allmand: Mr. Speaker, with the same permission of the House I would like to move Motion No. 34.

The Acting Speaker (Mr. DeBlois): With the same unanimity.

Hon. Warren Allmand (for Mr. Comuzzi) moved:

Motion No. 34.

That Bill C-86 be amended in Clause 36 by adding immediately after line 15 at page 48 the following:

"(*c*) there must be a bilateral or multilateral agreement specifying that the country to which a person may be returned is responsible for examining the person's refugee claim and guaranteeing the admissibility of such persons recognized as refugees."

Mr. Allmand: Mr. Speaker, I ask for the same unanimous agreement on Motion No. 36.

The Acting Speaker (Mr. DeBlois): With the same unanimity.

Hon. Warren Allmand (for Mr. Comuzzi) moved:

Motion No. 36.

That Bill C-86 be amended in Clause 36 by adding immediately after line 15 at page 48 the following:

"(3.1) Where there is a claim in accordance with section 53(1) that a person's life or freedom is threatened, the Senior Immigration Officer shall immediately inform the person of the rights available under that section and assure that the person is not removed to any country where such threat exists."

Mr. Dan Heap (Trinity—Spadina) moved:

Motion No. 64.

That Bill C-86 be amended in Clause 98

(*a*) by striking out lines 21 and 22 at page 102 and substituting the following therefor:

"108.1 (1) The Minister, with the approval of the Governor in Council, may, subject to ratification in accordance with subsection (2), enter into"; and

(*b*) by adding immediately after line 31 at page 102 the following:

"*Ratification*

(2) The Minister of Employment and Immigration shall lay or cause to be laid before each House of Parliament, for ratification, at least sixty sitting days before its effective date, every agreement that is proposed to be entered into under subsection (1), and it shall stand referred to such committees as may be designated or established by each House of Parliament."

Mr. Allmand: Mr. Speaker, with the same permission of the House I would like to move Motion No. 66.

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

Some hon. members: Agreed.

Hon. Warren Allmand (for Mr. Comuzzi) moved:

Motion No. 66.

That Bill C-86 be amended in Clause 102 by striking out lines 21 and 22 at page 110 and substituting the following therefor:

"countries that have acceded to and comply with the Convention relating to the Status of Refugees and have a refugee determination system that complies with Canadian principles of fundamental justice;".

Mr. Dan Heap (Trinity—Spadina) moved:

Motion No. 67.

That Bill C-86 be amended in Clause 102 by striking out lines 21 and 22 at page 110 and substituting the following therefor:

"countries that are parties to and comply with their obligations under the Convention and international human rights law; and that have agreed to accept back on their territory persons who came to Canada through that country, and to ensure that those persons will have their refugee claims fully determined and, if accepted as refugees have all the rights afforded under the Convention;".

Motion No. 71.

That Bill C-86 be amended in Clause 102 by striking out lines 16 to 32 at page 113 and substituting the following therefor:

"(8) The Governor in Council shall only prescribe a country under paragraph 1(*s*) or renew any prescription under that paragraph if the country:

(*a*) ensures respect for the human rights of refugees and refugees claimants as established by the Convention and international human rights law;

(*b*) has instituted a procedure to identify and protect Convention refugees which meets the standards set by the Executive Committee of the United Nations High Commissioner for Refugees; and

(*c*) has undertaken by international agreement or otherwise to re-admit and determine the refugee claims of persons returned to its territory by Canada."

[*Translation*]

The Acting Speaker (Mr. DeBlois): Debate is on all the motions that have just been moved.

[*English*]

Mr. Heap: Mr. Speaker, the pressure from the government has given us 10 minutes to debate 15 motions and these motions cover some of the most important points of difference.

The great majority of the 40-odd groups that appeared before our committee was opposed to the harsh restrictions placed on the entry of people into Canada to claim refugee status, restrictions harsher than in the previous law. I have several motions dealing with this but I probably will not be able to deal with all of them in 10 minutes, let alone with the ones from the hon. member for Notre-Dame-de-Grâce. I would say I do support the motions from the hon. member for Notre-Dame-de-Grâce as well.

• (1530)

My first motion, No. 23, is to replace part of clause 35 with these words: "unless an appeal from the order has been allowed"—that is an order to depart—"or unless the person satisfies an adjudicator, upon application, that there are good reasons why the claim"—that was the refugee claim—"was not made prior to the issuance of the removal order, and that the claim is not obviously unfounded".

I am trying to plug a hole in the process created by the government's abolishing the requirement that when the person who might be a refugee claimant comes to an inquiry, he be asked: Do you wish to make a refugee claim? That is in the present law. That has been crossed out, abolished.

There is a danger that a genuine refugee claimant will not know at what point he should say that he is a refugee or a refugee claimant, or that he is afraid of persecution if he returns. He might talk about things that happened back home but not clearly say that he is afraid of persecution and he may never be considered to have made a refugee claim.

I have asked in the motion that that hole be filled with this requirement, that if he does say he is a refugee and if at some later stage he explains why he did not make it at the beginning as required—because he was not asked—that he be allowed to proceed with the claim.

Motion No. 24 would add in: "A person who expresses a fear of persecution shall be advised by the immigration officer of the availability of the refugee determination process". This addresses the same point in a different way. If an immigration officer understands that a person has expressed a fear of persecution the officer has the duty to tell him what the steps are by which he can apply to have that claim properly adjudged.

Motion No. 25 is a clause that sends a person back to a country through which he passed where he can be returned, a so-called safe country, of which the government proposes to make a list. It says he can be sent back if it is a country to which he can be returned. Then I wish to add these words: "and where the person can remain".

Countries have sometimes accepted a refugee claimant back and then shipped him on to the country he originally fled from. It has to be a country where the person can remain and it shall not be done unless the person satisfies the refugee division that the person has a well-founded fear of persecution in that country.

In other words, the person claims that he is afraid. If he is a Sri Lankan or a black African and is afraid to go back to Germany because of the race riots there, that should not be adjudged by the senior immigration officer at the border. The senior immigration officer should send that question for decision by the body that is specially trained, specially appointed and empowered to adjudge that question: the refugee division of the Immigration and Refugee Board.

I will skip Motion No. 26 and go on to Motion No. 27. Again this is to describe the country to which Canada intends to send a person back on the grounds that he should make and should have made a refugee claim there. Some countries have a very sloppy, superficial treatment of refugees partly because they do not have the money—very poor countries—or partly because they do not agree that much with it.

This is to be a country in the words I have here: "that has undertaken by means of a bilateral agreement with Canada or by means of a multilateral agreement to readmit and determine the refugee claims of persons who are returned to its territory from Canada". It is not enough to readmit him; they have to agree to determine the refugee claims.

Skipping Motion No. 28, I will go to Motion No. 29. This deals with a person who had decided in Canada not to be a refugee, had left the country and then came back again. The question is: Does he have reason to come back that he was considered not to have the first time he came? My motion inserts the words: "If that person has been decided by a competent person or body not to be a convention refugee or not to be eligible to have the claim determined by the refugee division, he can be sent away, unless the person can satisfy the refugee division that

there has been a change in circumstances which justifies a reconsideration of the original decision".

In Sri Lanka the Indian army came in and for two or three months and there was so-called peace. The refugee board decided it was all right to send Sri Lankans back to Sri Lanka. War broke out again and the refugee board would not send them back then, or almost none of them, during that war time. The circumstances had changed. That should be available to a person who went out and came back again, if he can convince the board, not the officer at the border, but the expert refugee board is the one that should be convinced of that and the officer should send him there.

Motion No. 64 would substitute on page 102 a much better approach for making these bilateral agreements. I am going to read it, although I might run out of time: "The minister, with the approval of the Governor in Council, may, subject to ratification in accordance with subsection (2), enter into these agreements"—that is, for burden sharing, for sharing the work of supporting, examining and perhaps entertaining refugees and the ratification that is required". Subsection (2) reads: "The Minister of Employment and Immigration shall lay or cause to be laid before each House of Parliament, for ratification, at least 60 sitting days before its effective date, every agreement that is proposed to be entered into under subsection (1), and it shall stand referred to such committees as may be designated or established by each House of Parliament".

The question of whether a country such as Germany is fit to have black refugee claimants returned there is a matter that should be debated within this House and not just done behind the closed doors of cabinet. That is the purpose of this motion.

Motion No. 67 is a motion to describe countries that we consider adequate with their refugee policy. It would amend clause 102 by inserting these words: "Countries that are parties to and comply with their obligations under the convention and international human rights law"—which goes far beyond the convention in many ways—"and that have agreed to accept back on their territory persons who came to Canada through that country, and to ensure that those persons will have their refugee claims fully determined, and if accepted as refugees have all the rights afforded under the convention". That is a very complete definition which I think we should be using.

Finally Motion No. 71 concerns countries from which the refugee might have come, or claims to have come: "The Governor in Council shall only prescribe a country under paragraph (1)(s) or renew any prescription under that paragraph for that country if; (a) the country ensures respect for human rights of refugees and refugee claimants as established by the convention and international human rights law; (b) has instituted a procedure to identify and protect the convention refugees which meets the standards set by the executive committee of the United Nations High Commission for Refugees"—by the way Canada is on the executive of the High Commission for Refugees—"(c) has undertaken by international agreement or otherwise to readmit and determine the refugee claims of persons returning to its territory by Canada".

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I am going to talk to Motions Nos. 31, 36 and 34 and 66 which are amendments I put forward on behalf of the Liberal Party.

• (1540)

Under the present law, there is a two-stage process for admitting refugees to this country. At the first stage they determine questions of eligibility to proceed to a full hearing before the refugee board and they deal with questions of credibility.

The overwhelming number of experts in this field and the overwhelming number of witnesses who came before committee agreed with the government's move to get rid of the first stage hearing because a great percentage of the cases that went to the first stage hearing were agreed to and went on to the second stage. Therefore it was a waste of time and a waste of resources.

However, it was our view if you get rid of the first-stage hearing dealing with eligibility that you transfer those matters to the full hearing of the board as a preliminary question. You do that before the board

because there is due process before the board. There is a right to representation, the right to interpretation and so on.

However that is not what the government has done in Bill C-86. It got rid of the first stage hearing dealing with questions of eligibility where there was due process and the right to a lawyer and so on. But it has given the decision making on eligibility to a senior immigration officer, to an official who will make a decision on these matters. This will be done without any due process, without any right to be heard by the refugee applicant, without any lawyer or any interpreter or whatever. He will make a decision just by looking at paper.

We say that is absolutely wrong. In effect, what the government is doing in Bill C-86 is placing a barrier between the refugee applicant and the refugee board where his case will be heard because it will allow, under Bill C-86, a senior immigration officer to turn away certain refugee applicants on the basis of five criteria. This is one of the principal objections to this bill.

Here we are, a signatory to the Geneva convention where we agree to accept refugees who are fleeing from countries of persecution and so on, but we are not giving them a right to be heard in all cases. We are giving a senior immigration officer the right to turn them away without a hearing and without due process which is against the legal traditions of this country.

In my amendment I am saying that one of the grounds on which the senior immigration officer can turn the applicant away is if the senior immigration officer believes that the applicant has been recognized as a refugee in another country. The government is saying that it is a black and white issue. There is no need for a hearing.

That is nonsense. All the experts before us have said it is not a black and white issue. Very often refugees come from one country. They flee into a neighbouring country. They stay there for a few weeks or a few days, maybe in a refugee camp. They get fed, clothed and many live in a tent, and then they go on maybe to Europe and finally come to Canada. The question as to whether they are recognized as refugees in those countries is a very difficult and complex one. Many countries do not have very clear-cut processes as we have in Canada which finally do say: "Yes, you are a refugee" or "No, you are not a refugee".

We believe that that issue should not be left to a senior immigration officer who can decide that without any hearing or right to be heard. What we are saying in Motion No. 31 is that in that particular case, there would be referral for a hearing and the senior immigration officer would have to inform the refugee applicant of such a hearing especially where he or she would qualify under section 53. Section 53 is an exception to that rule, that where the person's life or freedom would be threatened for reasons of race, religion, nationality, membership in a particular social group or for political opinion, should be allowed to stay in this country and not sent back to one of those countries, even if that person was recognized as a refugee in those countries. The other thing we are saying is that the senior immigration officer should refer those cases for a hearing when there is some doubt as to whether the applicant is eligible or not.

Another reason or the major criterion on which the senior immigration officer can turn people away is if the senior immigration officer believes that the applicant comes from what is called a safe third country. We say that the definition of a safe third country is too narrow. We totally agree with the report of the Senate committee. The Senate did a pre-study of this bill and with a Conservative majority and with the Conservative chairman, Senator Kinsella, they criticized the safe country provision on the following grounds.

They said that in order to return a person to a safe third country there must be a bilateral or multilateral agreement specifying which state is responsible for examining a refugee claim. It should be a precondition that we have either a bilateral or multilateral agreement with other countries so that they will treat people who are returned to them in a fair and judicial way. They go on to say that the country to which we return individuals must comply with the total convention relating to the status of refugees and not just simply article 33, as is provided for in Bill C-86.

In other words, we do not return the person to that third country unless we have a convention with that country. That country must agree with the entire international convention on refugees, and finally that country must have a refugee determination system equivalent to

the Canadian system that complies with Canadian principles of fundamental justice.

We are saying in these amendments that there must be due process in the decision with respect to eligibility and if we are going to return people to a safe third country, the safe third country must be defined in the way that was set out in the Senate report. Our amendments are totally in accordance with the Senate pre-study report. We are also saying that there must be greater access to section 53 which would prevent an applicant from being returned to another country where that person's life or freedom would be threatened for reasons of race, religion, nationality or membership in a particular party or social group.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I just want to make some short remarks in support of the amendments by my colleague from Notre-Dame-de-Grâce. From time to time in Toronto we are experiencing a situation where many of our public servants who are dealing with these immigration matters at the border crossing are telling us that they are so overworked that there is absolutely no way that they cope with the workload that is put on them. At times we have had situations where their stress has caused a reaction which has not served the process or the spirit of our refugee system very well. We have always had the judicial process to rely on.

It is not only wrong to leave this decision to the bureaucrat or to the official in charge, it is also unfair because we are putting them in a position where their judgment from time to time can be clouded. It is not a question of us saying that people should not be deported if they constitute a threat to the security of Canada. That is sometimes the position that is being presented to us by opposition, that we are just opening our doors to anyone and everyone.

There is a fine line. We are taking a very strong stand on anyone who is a threat to security or someone who has a criminal record. It is very important that this amendment be supported to make sure that we keep our judicial process in place.

• (1550)

Mr. Ross Reid (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I welcome the opportunity to reply on this grouping of amendments. It is important though to point out first, and I know my friend from Trinity—Spadina did not really mean this, that to suggest that there is anything the government has done in terms of the allocation of time that each speaker has in this debate, or the grouping of the amendments. This of course is not the case.

Those are the rules of the House and they have nothing to do with time allocation or anything else. That is the way this process works. I am sure he did not really mean to suggest that the government had caused him to have only 10 minutes or that the government had grouped these amendments. That simply is not the fact. I know he would want me to correct that impression which has been left.

Both my colleagues, the members for Trinity—Spadina and Notre-Dame-de-Grâce, have rightly said that this group of amendments addresses a very important section of this piece of legislation.

As has been pointed out there was much concern around the two levels of hearings. The suggestion was that the first level be removed.

What is left though is obviously the concern that the process allows, as it must, for the question of determining eligibility.

The legislation provides that the senior immigration officer must be able to say to anybody who claims refugee status that they have access to the refugee determination system unless five conditions exist. Without going into detail, the primary concern is whether that refugee has found the protection he or she seeks in another country and whether that refugee in coming to Canada is bringing with him or her something that will provide a threat to the security of the country, a serious offence.

What has been very clear from the evidence in the committee is that if the senior immigration officer cannot simply and clearly show that the refugee applicant is breaking one of those five conditions then the refugee applicant has access to the determination system.

Quite simply put, if the applicant is not ineligible he or she is eligible. It is not a question of discretion. It is not a question of judgment. It is the obligation of the senior immigration officer, or in one case it gets referred to an adjudicator, to be able to show that this person is a convention refugee or has come from a country where protection is provided or has committed serious offences.

The second concept that we must deal with is the question of shared responsibility. Canada's very strong history in this area is such that we have become a very favoured nation. I think it is something we should be proud of and that we need to encourage. However, we also must recognize at a time when the number of refugees around this world is increasing that we all, particularly in the west or the north, in the industrialized world, have a responsibility.

It is incumbent upon us collectively to work to ensure, through the United Nations High Commission for Refugees, that we have a system in place that can deal with refugees.

An added burden of responsibility falls on Canada. We have to lead the rest of the world to the level of fairness and equity in our determination system. This process of shared responsibility, formally signing agreements, will increase the responsibility of other countries. That is particularly important.

Without going into the specifics of all of these motions, because a number of them come together, it is very important to recognize what section 53 of the legislation does. It is known as the non-refoulement provision. That says that we cannot send people back to a country where their freedom is threatened.

If we are in a position where perhaps that exists, section 53 says that a refugee shall not:

> be removed from Canada to a country where the person's life or freedom would be threatened for reasons of race, religion, nationality, membership in a particular social group or political opinion unless

It cannot happen. There are two exceptions. They are people described as inadmissible under paragraph 19(1)(c). It also refers to paragraph 19(1)(e), (f), (g), (j), (k), or (l), which involves security for the most part.

There is an added provision, which is that if that question arises the minister must show that the person constitutes a danger to the public in Canada. That is a condition that says that there may be reasons to remove them but they can only be removed under certain conditions and if they are a threat to Canada and the place to which they are removed will offer them the protection that is important.

I remind members again that there has long been a discussion about the charter. Many people do not agree with this, and to me it is very fundamental. The charter governs how governments relate to people. The charter says that the Government of Canada must apply its laws to people whether they are in this country or outside. Some have argued that the charter should not apply unless one is physically in Canada. Some would argue that the charter should not apply unless a person is a landed immigrant. Some would argue that the charter should not apply unless the person is a citizen of this country.

I reject all of those positions fundamentally. The bill reflects that. The mood of the people who came before us reflected that the charter should apply to anybody who Canada deals with anywhere, that we cannot make decisions based on race, on nationality, country of origin or ethnicity. To do so would be fundamentally wrong.

Without addressing the specifics of all of these amendments I have addressed most of them in terms of their intent and what they deal with.

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

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): The question is on Motion No. 23. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

[*Translation*]

The vote is on Motion No. 24.

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

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

[*English*]

The next question is on Motion No. 25. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

• (1600)

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 26. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

[*Translation*]

Further to the Speaker's decision, given the result of the vote it will not be necessary to vote on Motions Nos. 27 and 28.

The next vote is on Motion No. 29. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

[*English*]

Mr. Heap: Mr. Speaker, I think I heard you say that the vote on Motion No. 26 made it unnecessary to vote on Motions Nos. 27 and 28. Is that what I heard? What I read on page 37 is that a negative vote on Motion No. 26 necessitates a vote on Motion No. 27, an affirmative vote on Motion No. 27 obviates the need for a vote on Motion No. 28, and a negative vote on Motion No. 27 necessitates a vote on Motion No. 28.

The Acting Speaker (Mr. DeBlois): I thank the hon. member. The member is right, and it was according to the decision by the Speaker.

[*Translation*]

The vote is on Motion No. 31. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

[*English*]

Mr. Heap: Mr. Speaker, I believe in accordance with what is written by the Speaker on page 37 we should take a vote on Motions Nos. 27 and 28. I believe we did not do that. My request is that we return to Motion No. 27 and vote on it and to Motion No. 28 and vote on it.

[*Translation*]

The Acting Speaker (Mr. DeBlois): This is just a reminder that the division on Motion No. 26 has been deferred and therefore we cannot vote on Motions Nos. 27 and 28 until we know the result of the vote on Motion No. 26.

[*English*]

The next question is on Motion No. 34. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 36. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 64. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 71. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

[*Translation*]

Pursuant to the Speaker's decision, we will now proceed to the consideration of Motions Nos. 38, 54, 57, 48, 49, 50, 51 and 52 which have been grouped for debate.

[*English*]

Mr. Allmand: Mr. Speaker, with the permission of the House I would like to move Motions Nos. 38, 54 and 57, standing in the name of the member for Thunder Bay who is absent.

I would ask the permission of the House to move the said amendments.

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

Some hon. members: Agreed.

Hon. Warren Allmand (for Mr. Comuzzi) moved:

Motion No. 38.

That Bill C-86 be amended in Clause 37 by adding immediately after line 33 at page 48 the following:

"(2) Where a Senior Immigration Officer determines that a person is not eligible to have a claim determined by the Refugee Division, the decision of the Senior Immigration Officer on the eligibility of a claim shall be referred for review to the Refugee Division.

(3) Where a decision of a Senior Immigration Officer has been referred to the Refugee division pursuant to subsection (1), the Refugee Division shall review the Senior Immigration Officer's decision in a summary hearing and either confirm or reverse that decision."

• (1610)

[*Translation*]

Mr. Dan Heap (Trinity—Spadina) moved:

Motion No. 48.

That Bill C-86 be amended in Clause 59 by adding immediately after line 2 at page 67 the following:

"(1.1) In any proceeding before an immigration officer or a senior immigration officer, a person who claims to be a convention refugee may be represented by a barrister, solicitor or other counsel."

[*English*]

Mr. Dan Heap (Trinity—Spadina) moved:

Motion No. 49.

That Bill C-86 be amended in Clause 59 by striking out lines 10 to 17 at page 67 and substituting the following therefor:

"(3) Proceedings before the Refugee Division shall be conducted *in camera* unless it is established to the satisfaction of the Division, on application by a member of the public, that the conduct of the proceedings in public would not impede the subject of the proceedings or any member of that person's family would not be adversely affected if the proceedings were conducted in public."

Motion No. 50.

That Bill C-86 be amended in Clause 60 by striking out lines 40 to 45 at page 68 and substituting the following therefor:

"tions."

Motion No. 51.

That Bill C-86 be amended in Clause 60 by striking out lines 41 and 42 at page 68 and substituting the following therefor:

"(*b*) may if it considers that legal issues of general importance including issues of constitutional interpretation, application or validity, are raised in the proceedings, give the Minister a reasonable opportu-"

Motion No. 52.

That Bill C-86 be amended in Clause 60 by adding immediately after line 15 at page 69 the following:

"(7) Notwithstanding any other provision of this Act, if the Chairperson is satisfied that:
(*a*) sufficient new evidence exists which was not available at the time of the Refugee Division hearing, or
(*b*) conditions in the country of origin, or of habitual residence, as the case may be, have so changed,
such that a different decision by the Refugee Division might be warranted, the Chairman may cause a new hearing of the claim to be held."

Hon. Warren Allmand (for Mr. Comuzzi) moved:

Motion No. 54.

That Bill C-86 be amended in Clause 60

(*a*) by striking out line 15 at page 70 and substituting the following therefor:

"(10) In the"; and

(*b*) by striking out lines 20 to 43 at page 70.

Motion No. 57.

That Bill C-86 be amended in Clause 60 by adding immediately after line 11 at page 71 the following:

"(12) Where, after the Refugee Division makes a determination under 69.1(9), the Chairperson is satisfied that:

(*a*) material evidence that should have been considered by the Refugee Division was not presented to the Refugee Division;

(*b*) new evidence puts in doubt the determination made by the Refugee Division; or

(*c*) the determination was based on a mistaken understanding of any of the evidence presented to the Refugee Division;

the Chairperson may direct the Refugee Division to reconsider its determination."

He said: Mr. Speaker, there are three amendments in this grouping and I will deal with each of the three amendments one after the other.

The first one deals with the whole question of eligibility and who should decide on eligibility for those who apply as refugees in this country.

As I stated earlier this afternoon, under the present law there is a two-stage process and eligibility is decided at the first stage with the right of an attorney with due process and all the protections of the law.

For some years now we and many other people in Canada who are involved in the refugee process have said that the first stage was a wasteful process because the overwhelming number of cases at that stage were accepted and consequently it simply wasted time, resources, money and the work of people.

We proposed that the first stage hearing be done away with and the government is doing away with it in Bill C-86.

However, the government has taken some of the questions that were dealt with at the first stage hearing and has given those to a senior immigration officer who will decide whether a refugee applicant is eligible to appear before the Immigration and Refugee Board and have his case determined in accordance with law and in accordance with our traditions for due process with the right to be heard and the right to an attorney.

Here we will have under this bill a senior immigration officer making decisions with respect to the refugee claim which could turn away the refugee claimant, send him away from this country, without ever having a chance to have his case properly heard and we disagree with that.

What we are saying in motion No. 37 is where the senior immigration officer feels that the refugee applicant is not eligible on any of the five grounds, the five criteria, that case should immediately be sent to the Immigration and Refugee Board where there will be the right to an attorney, the right to be heard, the right of due process and that question of eligibility should be heard as a preliminary matter by the Immigration and Refugee Board.

This is the only way you can be fair to all refugee claimants. They have a right to be heard with proper representation and the proper protections of the law. Otherwise you will have senior immigration officers turning away these refugee applicants, sometimes without any full examination of the matter, a simple paper examination, no right to be heard, and that is contrary to the traditions of this country. That is the purpose of the first amendment, Motion No. 37.

Then we go to amendment 54. Under the present law before the Immigration and Refugee Board, refugee claims are heard by two members. In order to be recognized as a refugee you only have to have the agreement of one of the two members. This is to give the benefit of the doubt to the refugee claimant and that system has worked fairly well.

The great majority of the cases get the agreement of both members of the board but only one vote is necessary to be accepted in this country as a refugee. What Bill C-86 says is that in certain cases, and three cases are laid down, you need the two votes of the Immigration and Refugee Board in order to be recognized as a refugee.

We say that is unfair. First of all it is going to waste a lot of time. Lawyers will argue before the board as a preliminary matter whether this is a case that requires one vote or two votes and where it is decided that it requires two votes we say the result will be in too many cases an inequity. Some people will be admitted because they only need one vote, while others will be turned away because they require two votes.

We say the government has not demonstrated why we must go to the two-vote process. The only thing we can presume is that it is trying to make it more difficult for refugees to be recognized as such in this country. By this amendment we are saying we should strike out from Bill

C-86 those provisions which require two votes rather than one.

Finally, Motion No. 57 provides for an appeal or a review of any decision of the Immigration and Refugee Board that is based on questions of fact or questions of error.

For years now, ever since the Immigration and Refugee Board was set up, churches, NGOs, lawyers, experts who work with immigrants and refugees have said there must be an appeal process on the substance. The government has never agreed to that, although there have been many bad decisions. In every other area of life where the courts are involved or where there are quasi-judicial bodies, there are always appeals.

The government has allowed an appeal in law and that appeal on law can go to the Federal Court and right up to the Supreme Court of Canada in some cases, but it has never allowed an appeal on the facts, on the substance of the case, and we say that is wrong.

It is impossible for a system to be perfect and when you are dealing with human lives, with people fleeing from oppression, people who are fleeing from totalitarian governments, from civil wars such as in Yugoslavia or Somalia, or some of the situations that took place in Latin America, you cannot put these lives in danger. You simply do not have a system which provides for a corrective process, a review process.

In our amendment, amendment 57, we are saying there can be a review of a decision of the Immigration and Refugee Board in which the chairman orders such a review when there is new evidence that was not before the board in the first place, when it has been determined some of the evidence was wrong, or in general when there has been an error in the decision that was made. These are questions of fact, not questions of law, and we believe very strongly that there should be an appeal there as well.

• (1620)

The three matters before the House now as far as the Liberal Party is concerned are, first, that all questions of eligibility should be finally decided by the Immigration and Refugee Board, not by senior immigration officers. Second, there should be no requirement for a unanimous decision of the board. The present system in which only one out of two is sufficient should remain. Third, there should be a review or an appeal process on the substance of our refugee system.

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, I wish to deal with my five motions here. I want to deal with four of them very quickly and on the three motions of the member for Notre-Dame-de-Grâce, my party and I are in agreement with him.

Motion No. 48 is extremely important because of what I mentioned before about the gap at the border. It is lovely if the refugee gets to section 53, which the hon. member for St. John's East mentioned, but how does he get there? That was not clear in the discussions we had in committee. It may be clear to the government but it is not clear to me and to a lot of the public.

Until about seven years ago lawyers were allowed to meet potential clients right at the border, for example at Pearson Airport, and assist them while they had their first examinations by immigration officers. This government stopped that six or seven years ago. Now people are examined by an immigration officer and perhaps by a senior immigration office who takes notes which can be used against that person later on. However, that person has no witness, let alone legal advice.

We raised this question with the government and it said of course they will be allowed to have legal counsel if it is available. That has not been put in writing anywhere, except that it is recorded in the transcript of the meeting.

The government said it was going to change the regulations it adopted seven years ago which prevented lawyers from having access to any person arriving to enter Canada.

My party and I want to write in section 48 that in any proceeding before an immigration officer or a senior immigration officer, a person who claims to be a convention refugee may be represented by a barrister, solicitor or other counsel. This is a need that has been confirmed by the experience of not having that opportunity. No longer will the person have legal counsel provided by the federal government. That is abolished. I am not raising that issue. I am saying that if a lawyer is there, he or she should be able to assist the refugee claimant at the very first interview, not farther down the road when there

could be a dispute about what was said or whether the questions were properly asked.

Motion No. 49 concerns whether the hearing will be held *in camera*. The government has met us part way on this, saying that it will be *in camera* if it can be shown that there is any danger. It will be *in camera* unless there is an application to make it public. In that case, if the claimant can show that there is danger to the claimant or other persons, it should not be held in public.

There is a further need that was in the previous law. They should also be satisfied that the conduct at the proceedings in public would not impede the subject of the proceedings. That is the refugee claimant; he or she is the subject. When she is the subject it is even more important because many female refugee claimants have had dreadful experiences getting through borders to get to Canada. Because of cultural taboos which are stronger in some places than others, they find it very hard to tell what was done to them as women in such and such a place, even to an officer, let alone to a battery of journalists or other strangers.

Therefore it has been found that they sometimes fail to tell what has happened and that seriously damages their credibility later on, even though it was true. I want it in here that it will not impede the subject of the proceedings and no member of that person's family would be adversely affected. It is impeding the subject that we need to get in there.

Motions Nos. 50 and 51 refer to the minister's intervention. Motion No. 50 would delete what is at present at the bottom of page 68: "That the panel may, if it considers it appropriate to do so, give the minister a reasonable opportunity to question the person making the claim and any other witnesses, and to make representations concerning the claim".

I believe that is highly improper when the whole basis of the hearing was that it should be non-adversarial. This is not a criminal; we are not talking about proof, for proof is almost impossible to get from the old country at these hearings. We are talking about trying to find out whether the person has a claim, and to cross-examine him in an adversarial way, as has sometimes happened in a minister's intervention through his deputy, is perhaps necessary in certain cases, which I will deal with, but as a generality is grossly unfair to the refugee claimant.

Coming now to Motion No. 51, I would like to see it reworded if it can be agreed that: "The Board may, if it considers it that legal issues of general importance, including issues of constitutional interpretation, application or validity, are raised in the proceedings, may give the minister an opportunity".

In other words, it is to limit the occasion in which the minister, through an adversarial prosecuting attorney approach, can cross-examine the claimant.

Finally, I want to deal with my motion, Motion No. 52, which I consider, in the light of the many deputations that we have heard to which the member for St. John's East has referred, perhaps the most important one apart from the questions of eligibility at the border.

If they do not get to the Immigration and Refugee Board, this question does not arise. If they do get to the Immigration and Refugee Board, the key issue is that it has been experience now that certain refugee claimants were rejected by the IRB and later it was found that there was information, maybe old information, which did not come to light in this country, or information based on changed country circumstances. It was not available in any documented form; for example, a warrant for arrest, which was not available at the time of the hearing.

As I mentioned before, the war in Sri Lanka, which ended when the Indian army intervened and then broke out again within two or three months, is still going on two or three years later.

My motion is:

(7) Notwithstanding any other provision of this act, if the Chairperson is satisfied that:

(a) sufficient new evidence exists which was not available at the time of the Refugee Division hearing, or

(b) conditions in the country of origin, or of habitual residence, as the case may be, have so changed, such that a different decision by the Refugee Division might be warranted, the Chairman may cause a new hearing of the claim to be held.

This does not increase the appeals to the courts, which have been a matter of concern on the government's side; overloading the courts and perhaps causing delays. This might cause a delay but of a very limited sort since it is not an adversarial type of hearing; it is an inquiry into the person's status, whether or not he or she is a refugee.

The chairman has the responsibility under this motion, if it is adopted, to be satisfied that there is reason to reopen or to have cause for a new hearing of the claim to be held.

I want to quote just one example from one of the witnesses who had documented many cases, about 50 cases out of 100 or more, that the vigil group examined; 50 cases it felt should have been re-examined. In one of six examples it gave us, it said: "Mr. E. is a Sri Lankan Tamil who fled Sri Lanka in 1989 after two of his friends were killed for providing equipment to the Tamil Tigers. He too had unwillingly given equipment to the Tigers and feared for his life. From 1974 to 1989, Mr. E. had been detained and repeatedly tortured brutally by the Sri Lankan army and the Indian peacekeeping forces. On the occasion, he was also detained by the Tigers. As a result of this treatment, Mr. E. continues to have flash-backs of his experiences of torture. He suffers from insomnia, nightmares, digestive problems and anxiety. The Immigration and Refugee Board refused Mr. E. because it misunderstood his testimony and believed he only feared the Indian army which had left the country. It gave no recognition to the cumulative effect of the numerous detentions and extreme persecution that Mr. E. endured at the hands of various armies, especially the Sri Lankan army which is still engaged in the bitter civil war against the Tigers".

• (1630)

If any such evidence should be brought before the chairman, I hope this Parliament would allow the chairman to use his judgment to reopen the case.

Mr. Ross Reid (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Chairman, I would like first to comment on the three motions of my friend from Notre-Dame-de-Grâce. The first motion, No. 38, deals with the fact that all eligibility hearings be referred to the IRB. Motion No. 54 deals with what has come to be known as the split decision question. The third motion is the question of appeals.

I talked earlier about the senior immigration officer and his responsibilities in determining eligibility for access to the system. What the senior immigration officer does not do is deal with the credibility of the case. He does not talk about the nature of persecution. He would not talk about whether this person is a refugee or would have a valid refugee claim. The two levels of hearings are something we have tried to move away from because of the pressure it puts on the refugee claimants. We also have the problem of the pressure that it puts on the system and that in turn impacts on our ability to respond judiciously and quickly.

The question of the split decision, as it is referred to, has caused some concern and we have had a lot of discussion about it. Quite clearly it is one that responds to a current situation that has created concern in a number of areas.

The area that has created most debate and has worried most of us more than any other is the question that applies to documents. There is a misconception abroad that if anybody arrives with false documents or no documents, they automatically are in a position in which they must have a unanimous decision, remembering that in our system today if you appear before two members of the IRB and one says that you have a valid claim then that claim is accepted.

What the legislation says is that if you were in possession of documents—and remember we have amended it to respond to the some of the concerns—and you destroyed those documents without good reason, you will then need two people, not one, on the board saying that you have a legitimate claim. It is not whether you have false documents, it is not whether you have destroyed your documents for good reason, it is not whether you somehow got on a plane with no documents; rather, it is that you had the documents, you destroyed the documents and you had no good reason for doing so.

For those of us for whom that was a great concern in the beginning, this goes a long way in addressing that problem. The documents had to have been in the person's possession and they had to have been destroyed.

On the question of appeal, the law today does not allow for appeals on anything but questions of law. The question therefore is what do we do about it if we need to do anything about it?

I think it was Dr. Guy Goodwin-Gill who came before the committee and said: "Be careful now if you start getting into appeals on the basis of fact. What you end up with is a first level system that is not as responsible and as thorough as it should be, not that that is wanton or willing. It happens, it is human nature".

Clearly the process of appealing in law continues and is to be provided for in a different court but it is still there.

What is important and in my view a very major step is that the government has said that it understands that the process of appealing on humanitarian and compassionate grounds has not been effective. I would argue that is exactly the case, that it needs to be visible and that there needs to be real criteria against which people can measure what they do and how successful they can or cannot be.

As a result, the government has asked the former first chair of the IRB, Mr. Gordon Fairweather, earlier a member of this institution, to set up the regulations on this. They will consult on that process as well so that we do have an H and C process, as we call it, humanitarian and compassionate grounds, that is visible.

All of us who deal with refugees who appeal under the H and C provisions do not know what we are shooting at, do not know what the targets are, do not know what criteria the case that we present will be judged against. I think that is important.

It is important as well in a couple of other provisions, not the least of which is the one covered in Motion No. 52 by my friend from Trinity—Spadina, where he talks about changed circumstances.

We discussed earlier a proposed amendment that dealt with a 12-month ban for reapplying. I pointed out at that time it does not apply to refugees. Someone can come back in 90 days. However, in the interim, it is important to recognize that the humanitarian and compassionate provisions will provide for and take into account the questions of changed circumstance.

Most of the early discussions or arguments or debates I had with the IRB were over changed circumstances. We had to apply these against humanitarian and compassionate grounds. It has been very difficult. We have not been successful in that area. My friend is right in pointing out that we must take into account changed circumstances, not changed circumstances in Canada or necessarily with the refugee, but particularly how that refugee relates back to changed circumstances in his or her country.

I want very quickly to comment on his proposal in Motion No. 51. I am not sure I completely understand this section about the minister appearing, particularly when we are dealing with big legal issues. I would think that the answer is that we would want some of these big cases that deal on those issues discussed in a court where perhaps it is more appropriate.

One of the problems we have with confidentiality is what is known as the Pacific Press case. We are not particularly happy with the amendment we brought forward because it is not complete. My friend from Trinity—Spadina is right when he says that the ability to have a confidential hearing is something that needs to be protected. For the refugee, it needs to be protected. For the refugee's family, it needs to be protected. For those that are left behind, it needs to be protected. Obviously if someone has fled their homeland, they are fleeing persecution and that condition continues.

The government has gone as far as it can in recognizing the decision of Pacific Press which says that the media should have access.

• (1640)

The assumption is that the cases will be closed, however, if there is an application to the IRB, then a decision is to be taken.

The initial government proposal under Bill C-86 was that they would not be closed. That was unacceptable for a lot of reasons. The amendment that was brought forward in the committee was an attempt to find a balance between the judgment of the court and a desire to keep the hearings confidential.

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

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): The question is on Motion No. 38. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 48. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

Some hon. members: All those opposed will please say nay.

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 49. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 50. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

[*Translation*]

The next question is on Motion No. 52. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Pursuant to the Speaker's decision, we will now proceed to the consideration of Motions Nos. 38, 39, 54 and 55. That should be we will proceed to the consideration of Motion No. 43.

[*English*]

Mr. Allmand: Mr. Speaker, I may have missed something in this complicated procedure. I did not think that you called Motions Nos. 54 and 57 for voting purposes.

The Acting Speaker (Mr. DeBlois): You are right. I will now call the motions.

The question is on Motion No. 54. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 57. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Mr. Joe Comuzzi (Thunder Bay—Nipigon) moved:

Motion No. 43.

That Bill C-86 be amended in Clause 48 by striking out line 9 at page 58 and substituting the following therefor:

"exceeding five years, but may be removed".

Motion No. 45.

That Bill C-86 be amended in Clause 50

(*a*) by striking out line 24 at page 60 and substituting the following therefor:

"61.(1) Subject to subsection (1.1), each member of the Refugee Divi-"; and

(*b*) by adding immdiately after line 28 at page 60 the following:

"(1.1) The appointment made under subsection (1) is subject to the approval of the Standing Committee of the House of Commons to which matters of immigration and refugee status are referred.

(1.2) An appointment that is subject to the approval of the Standing Committee of the House of Commons to which matters of immigration and refugee status are referred under this section shall be deemed to have been approved if the Standing Committee has not voted to withhold its approval of the appointment within thirty days after it has received a request for approval."

Motion No. 47.

That Bill C-86 be amended in Clause 50 by striking out line 28 at page 60 and substituting the following therefor:

"exceeding five years."

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, these three amendments put forward by the Liberal Party have to do with appointments to the board. The first two amendments would have appointments to the board limited to five years. Bill C-86 provides that the appointment of the chairman and the board members can be for up to seven years. Considering the government's record with these appointments we do not think that is acceptable.

The other amendment is one which would require all nominees for appointment to the Immigration and Refugee Board be approved by the Standing Committee on Employment and Immigration.

• (1650)

Why are we making these two proposals? We are making these proposals because the majority of appointments to the Immigration and Refugee Board have been too political. They have been for individuals who are unfamiliar with immigration and refugee matters. As a matter of fact, they are not only unfamiliar but insensitive to immigration and refugee matters. There have been some, what I would call, horror stories with respect to incidents happening before the board.

It is true that in Bill C-86 the government is giving the chairman certain authority to discipline members of the board who do not carry out their functions properly or who misbehave, but we do not think that is enough.

We had incidents last winter where members of the board ridiculed claimants before the board, laughed at them, made fun of their cases. We had other incidents where members of the board fell asleep while refugee applicants were making their cases. Recently a member of the board resigned because of what he called widespread racism among certain members of the board.

I acknowledge immediately that there have been some very good appointments to the board. I give credit to the past chairman of the board, Mr. Fairweather. Although he was a Conservative member of this House, he was an outstanding appointment and did a good job; but he was not responsible for the appointments.

As I say some of these appointments were very ill advised. As a matter of fact they proved to be an embarrassment to the government. The most recent one is the case where a member resigned and stated that he resigned because he felt there was widespread racism with respect to certain members of the board and he could not work in that atmosphere.

We propose two things: First, that the appointments of the chairperson and of members be limited to five years. We feel five years is enough. It gives them enough time to develop in their work, but on the other hand it is not too long if they are bad appointments. Second, we are suggesting that with appointments of this kind, as I said earlier in this debate, people are dealing with questions of life and death with respect to people fleeing from countries of oppression. If the wrong decision is made or if this is not taken seriously, they could be returned to countries where they would be imprisoned or would even be killed.

We have recommended something similar to what they do in the United States where senior appointments are approved by committees of Congress. We are suggesting that the appointments be approved by the Standing Committee on Labour, Employment and Immigration.

That may not be the best answer, but it will be an improvement over what is presently in place where the government unilaterally and without any consultation makes these appointments and too many of them have been bad. There might be other methods of reviewing appointments.

A few years ago when the Liberal Party was in government we set up a system for reviewing appointments to the bench with the Canadian Bar Association. There might be a better way of getting approval for individuals to be appointed to the Immigration and Refugee Board. I was hoping that my amendment would push or press the government to come up with a better answer, but it has not. It is quite content to continue along the lines it has already proceeded so I am putting my amendment that these appointments must be subject to approval by the parliamentary committee.

One must remember that the government has a majority of members on these committees, but the very fact that the appointment would have to be reviewed would deter the government from making silly appointments as it has done from time to time. I think it would encourage the government to make better appointments knowing that those appointments would have to be reviewed publicly.

There are the three amendments. The purpose of them is to improve appointments to the Immigration and Refugee Board.

Mr. Tom Wappel (Scarborough West): Mr. Speaker, I rise to speak in favour of these three amendments. I listened very carefully to my colleague, our critic for immigration. He made excellent points, but I want to reiterate them as a member from metropolitan Toronto who has had many people come into his riding office over the last four years to complain about the nature of the

process and how their claims were being dealt with, particularly by the people listening to the claims.

I note one of the amendments would limit the appointment of the chairperson from seven to five years. I think that is a very good idea. There is no demonstrable reason to have an appointment for seven years. In other appointments such as the chairman of the National Parole Board we have all kinds of different things. There is no reason to have them appointed for beyond a period of five years.

That is also coincidentally the maximum mandate of a particular government. It only makes sense that when there is a change of government there might be a change of focus, there might be a change of approach, and therefore there might be a need to change a particular person, in this case the chairperson.

However, my colleagues were being charitable in connection with the length of time that members can be appointed. Five years is exceedingly generous, never mind seven years. However that is fine. It is better to be generous than not so. Certainly the chairperson must be there for a period of time to establish a stamp of his or her own method of operating the particular department.

What is most important it seems to me in this triplicate of amendments is this notion that we get the people involved through the Parliament of Canada. How do we do that? By getting the House of Commons standing committee involved.

It is a very reasonable proposal. We have just recently seen over the last little while in 1992 how the United States has a situation where various appointees can be examined and can in fact be turned down depending on the rationale. That is not so much the point because we are not going a witch-hunt in committee. Anybody brought forward as a proposed person by the government is not automatically going to be wrong. No, on the contrary.

It is to give Canadians and the people who are involved with that particular system—the lawyers, the refugee claimants and the various other people—a sense of empowerment if I can put it that way. Canadians feel they are not empowered. They feel that too many things are being decided without their input.

Another perfect example is the Governor in Council. Who is that? That is the Prime Minister. He is going to make all these appointments. Nobody is going to be consulted, at least no one in terms of what the ordinary Canadian on the street can possibly understand to be a person who would be consulted. No, it is going to be the Prime Minister making decisions.

If we bring this matter before the House of Commons through one of its committees, it gives Canadians an opportunity to feel that their government is open, is not hiding things, is not subject to patronage. Rather it welcomes the opportunity to have the impact and input of Canadians on who these people will be.

I hear all sorts of dinosauric grumblings on the government side because they do not want openness. They are perfectly willing to have their little patronage plums and have people hand little gifts out for doing certain things for their party. We do not take that approach on this side. We think there should be more power in the House of Commons, not less power in the House of Commons. We think parliamentary committees should have more power, not less power.

We make a reasonable suggestion, a reasonable amendment in which we suggest the House of Commons committee review these appointments. We go one step further because we know there might be someone who would say it would be dragged on for political purposes. On the contrary, it says right in the amendment that in 30 days the decision has to be made.

• (1700)

It is interesting that there is all kinds of carping over there from various members, but I would be very surprised if any of them had the courage to stand up on their hind legs and tell us why this amendment was bad.

Precisely what is wrong with it? Why should Parliament and parliamentary committees not get involved in the political appointments that are presently being done behind closed doors? I challenge someone over there to get up and tell Canadians for householder use and for the next election, if necessary, that they should not be involved in the appointments to this board.

I commend the hon. member for Notre-Dame-de-Grâce and the hon. member for Thunder Bay—Nipigon for bringing three well thought out amendments to this act which give people empowerment, which give Canadians the realistic belief that they are having some impact on what is going on behind closed doors in the Prime Minister's Office. I support the amendments whole-heartedly.

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, in the interest of finishing our work before the deadline, all I have to say is that I support the three motions moved by the member for Notre-Dame-de-Grâce.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, I will not take the full time allotted to me, but I just wanted to make an intervention after my colleague from Scarborough West and our critic from Notre-Dame-de-Grâce made recommendations on these motions.

I should say at the outset that we had some discussion on our side as to whether the appointments should be made for the five-year period or the seven-year period as recommended by the government. These are some of the most highly sought appointments that any government can make.

I had opted for something less than five years. My colleague convinced me, with his wealth of experience and time spent on immigration matters, that five years was a good compromise between what we were proposing and what the Conservatives were proposing. Five years is a very long time, particularly when a bad appointment has been made and that person is kept on the bench, as I call it, for five years.

We have already seen some of those. There are very good appointments and I compliment the government for making them. Unfortunately there are some bad appointments. It is unfortunate there is not a mechanism within the structure so a bad appointment can be corrected immediately. Once a bad appointment is made, according to this particular statute there is very little that can be done about it. If we do not want the person that we are paying somewhere around $85,000 or $100,000 a year plus expenses for sitting on and hearing cases because he is not good at what he is doing, we must retain him and still continue to pay him. It is almost as if we have to remove him by way of a judicial hearing or something approaching the judicial inquiry process on appointments to the bench.

I did not want to dwell too much on the length of time. We agree it should be shorter. However, I did want to mention the quality of the appointments and try to impress upon the government across that they are a little different from regular appointments made to different boards. These are people who are making quasi-judicial decisions concerning the future of people's lives.

As a result of these quasi-judicial decisions affecting the lives of people, they are considered to be statutory powers given to them under the act. As a result of the statutory interpretation of these powers, as my colleague knows, they are all subject to the rules of natural justice and at least to the doctrine of procedural fairness that is so necessary.

That is why it is so important for every appointment made in the future that these people be brought before the parliamentary committee so that we can test whether they have some knowledge of the rules of procedural fairness or the rules of natural justice. It is fundamental knowledge on behalf of these appointments that they should have an inherent knowledge of that particular legal framework. When we talk of the rules of procedural fairness we are talking about the fundamental rules of the right to have counsel present when one is making one's case, the permitting of a transcript to be made during the hearing, and the ability of the people who are calling the hearing to state their position prior to the hearing date so that the person making the application knows the case which he has to meet.

Other procedural requirements are the care that must be taken to make sure that those who make the decisions are those who hear the evidence. We have seen instances where those who have heard the evidence have not necessarily made the decisions. In the last six to eight months we have been able to see predetermined judgments where one fills in the blanks and that certainly flies in the face of procedural fairness or natural justice that should be afforded to every person pursuant to section 7 of the Canadian Charter of Rights and Freedoms.

I see my time is getting short. Our side believes that one thing we should be trying to do to stay out of the court system and the appeal process on these hearings that take a considerable amount of time is those persons who are going to be charged with the responsibility of hearing these cases should at least have some knowledge

of the rules of procedural fairness, some knowledge of the rules of natural justice so that when they are hearing these cases there can be no appeal if these cases are heard properly in the first instance.

I support this motion whole-heartedly. I hope that the government will reconsider its position and endorse this proposal and have every person who is considered to be or is under consideration to be a quasi-judicial officer for the immigration appeal board appear before an independent group of members of Parliament so that they can at least be questioned on those matters that are absolutely relevant to fairness in procedure on behalf of the cases that the refugees will be claiming to it.

Mr. Ross Reid (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I will be brief on this point. I think we have heard a lot of discussion on the matter.

I would take exception to perhaps a little bit of the cynicism. I think members of this House know I try to be fairly non-partisan. I do sometimes get upset in this House when I consider the source of comments to be a rap against government or a particular member. When I hear the source of some of the comments on appointments in this House, sometimes it makes me chuckle a little bit. However, enough said.

To me, the key components or the key attributes for an appointment to the IRB should be first of all, compassion, second, common sense and third, enough intelligence and capacity to deal with the tremendous amount of work, the tremendous amount of pressure and the very confusing and often conflicting evidence that leads to a very difficult and sometimes very heart-wrenching decision.

In respect of that, the IRB has set up a very detailed and comprehensive process of training and education. It has developed a whole series of guidelines which help board members to make their decisions and has set in place a series of systems that will provide for review of performance and discipline where it is warranted and necessary.

As we look at Motion No. 43, we should recognize that yes, we can debate whether the chair should be there for five years or for seven years. I would argue that the chair should be there for seven years to allow for the continuity that is important in order for the chair to become familiar not just with the day-to-day goings on, but the over-all direction of what the board does and to ensure that he or she can carry out the job efficiently in that time.

It is important to recognize that as is the case with normal board members, at any time the chair can be removed for cause. The Order in Council can be rescinded and the person can be removed from that position as can any board member if there is good reason to do so.

• (1710)

Now for the question of allowing the standing committee to review the appointments. I think one of my colleagues across the way mentioned how it may not be the right solution but it may not be a bad idea. I do not argue that it may not be a bad idea, but I agree that for us now in this piece of legislation to suggest that the tribunal appointments all of a sudden be reviewed by a standing committee would get us into a position that this bill would create a precedent that may not be suitable in relation to other legislation that does the same thing. As I said, I am not convinced that it is perhaps not a good idea to look at, but I would argue that to move this amendment now is not the thing to do.

As I look at the board that has operated in St. John's for the last number of years, the person that is seen I suppose as the chair, Lisa Gilad, has a background in immigration. She has written books on the process. The three people who are with her, one of whom has been transferred in from Stephenville, Jim Sparks, along with Tom Rideout and Tom Murphy have shown that their ability and willingness to work hard has led to the belief in many quarters in this country that one of the best places to have a hearing heard for fairness and equity is St. John's, Newfoundland. That is not something I am just saying. It is something the system recognizes because they have taken their jobs seriously and they conduct themselves very conscientiously. They have received the respect of the community because of the work they have done and, in particular, if I may say so, because of the leadership of Lisa Gilad.

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

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): The question is on Motion No. 43. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

[*Translation*]

The question is on Motion No. 48. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

The question is on Motion No. 45. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the motion stands deferred.

We will now proceed with the consideration of Motions Nos. 58, 81, 82, 83, 84 and 85.

Mr. Dan Heap (Trinity—Spadina) moved:

Motion No. 58.

That Bill C-86 be amended in Clause 73 by striking out lines 23 to 42 at page 81 and substituting the following therefor:

"peal only if

(*a*) the Trial Division has, at the time of rendering judgement certified that a serious question of general importance is involved and has stated that questions; or

(*b*) the Federal Court of Appeal has granted leave to appeal.

(2) An application for leave to appeal pursuant to paragraph (1)(*b*) shall be made within fifteen days after the pronouncement of the judgement from which leave to appeal is sought, unless a judge of the Federal Court of Appeal for special reasons provides for a longer time.

(3) An application for leave pursuant to paragraph (1)(*b*) shall be determined by a single judge of the Federal Court of Appeal without an oral hearing, unless the judge directs that an oral hearing be held.

(4) Where a judgement of the Federal Court Trial Division is appealed to the Federal Court of Appeal pursuant to paragraphs (1)(*a*) or (*b*), the appeal shall be commenced by filing a notice of appeal within fifteen days after the pronouncement of the judgement or the granting of leave as the case may be, unless a judge of the Court of Appeal extend the time for special reasons.

(5) For greater certainty, neither a decision by a judge of the Federal Court—Trial Division whether or not to certify that a serious question of general importance is involved in any matter, or by a judge of the Federal Court of Appeal whether or not to grant leave to appeal, is subject to appeal."

Motion No. 81.

That Bill C-86 be amended by deleting Clause 113.

[*English*]

Motion No. 82.

That Bill C-86 be amended by deleting Clause 114.

Motion No. 83.

That Bill C-86 be amended by deleting Clause 115.

Motion No. 84.

That Bill C-86 be amended by deleting Clause 116.

Motion No. 85.

That Bill C-86 be amended by deleting Clause 117.

He said: Mr. Speaker, this group of amendments is really only two amendments. One is Motion No. 58 amending the procedure for applying for a certain kind of appeal. The other really is amending the responsibility for appeals, but because of the rules of procedure we follow the second one has to be done five times, that is to say, deleting five clauses which are all essentially part of the same action.

Motion No. 58 is important because it would protect some of the rights of appeal not just by refugees but by anybody in Canada under any section of the Immigration Act. In other words, it affects Canadian citizens if they do not think they have been given the right decision about sponsoring a relative. It can affect a Canadian permanent resident. It can affect an ordinary immigrant and of course it can affect a refugee claimant.

What we have in the Canadian justice system generally is that a decision can be appealed. Even a convicted criminal has the right to appeal in case the judge may have made a mistake. However, the 1987 amendments to the Immigration Act very gravely restricted this appeal right for refugee claimants and immigrants and permanent residents and Canadian citizens, everybody in the country. It prohibited the appeal on the merits, that is to say an appeal to decide whether the Immigration and Refugee Board or any other body, adjudicator, even an immigration officer, had made a mistake about the facts. It permits only an application for a judicial review that is to decide whether the decision maker failed to follow the lawfully required procedures.

This is quite unfair since refugee claimants, immigrants, Canadian permanent residents, Canadian citizens, as such, are not common criminals. They should not have fewer rights than common criminals. In particular refugees should not have fewer rights in a matter that could be a life-and-death decision for them.

Bill C-86 restricts this right still further by prohibiting an appeal of the decision of a judge of the Federal Court trial division. If a question has been appealed to the Federal Court and the appellant is not satisfied, he cannot appeal it unless the judge who gave the negative decision to him or her, while rendering the judgment has certified that a serious question of general importance is involved and the judge has stated that question.

That is ridiculous. Nowhere else in the Canadian justice system is the right to appeal made to depend on a judge saying that maybe he was wrong in the decision, and it is an important matter and an appeal to a higher court would be allowed. We are told it is done somewhere else, but nowhere in Canada.

Motion No. 58 would at least protect the universally existing right of the refugee claimant, immigrant, permanent resident or Canadian citizen to ask the Federal Court of Appeal to grant leave to appeal the lower court's decision.

• (1720)

That is the present law. The federal court can grant that.

What I would like to do with this motion is restore that right to refugees, to permanent residents, to citizens and to any immigrant as the case may be.

My motion is supported by the Canadian Bar Association, the Ontario Refugee Lawyers Association, and the Ontario Law Union. They all support this right to seek the leave of a higher court to appeal a lower court decision.

There are not many appeals now because each level of the court denies most of the applications it gets for judicial review. Therefore the courts can defend themselves from being overloaded. It is important in our Canadian, and British, system of justice that there be the possibility of a case going to a higher court and that it should not be so ridiculously restricted as it is by Bill

C-86 because the higher courts do have a responsibility for interpreting, evaluating and testing lower court decisions. That is the first action.

The second action concerns the other five motions. These five motions of the bill will further restrict the right of appeal in immigration matters at the time of transition from the present act to when the amended act comes into force. It will retroactively move cases that were before the court of appeal, at the earliest stage, back to the trial court. That means that instead of three experienced judges evaluating the work of a less experienced judge another less experienced judge will be evaluating the less experienced judge or perhaps even a newly appointed judge, appointed specifically for that purpose as is provided elsewhere in the act.

There is the further problem that the court of appeal at present has the power to set aside the decision of the lower court and substitute for it the decision of the court of appeal. That gives a final answer to the matter and saves time, trouble and uncertainty for everybody.

Bill C-86 takes away that power. By sending it back to another judge of the trial division it creates a situation in which the other judge can only say to the first judge: "Well, you were wrong, try it again". It leaves the matter dragging on, using up time and creating great uncertainty.

I am asking the House to restore that part of the right that the present act provides for appeal by permission of the court of appeal and to restore it for those who may be just acquiring that right but might lose it in the transition. It still does not give, under the Immigration Act, the rights that Canadians and all others in Canada enjoy in other matters but at least it would not take away the small right that they have now.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I will be very brief. I support these amendments by my hon. colleague from Trinity—Spadina because, as he said, the grounds for appeal are already very limited. I spoke a few minutes ago in favour of an amendment that I was putting forward which would allow the chairman of the board to order a review of decisions of the board. That will be voted on later.

Here the hon. member for Spadina is dealing with the situation in which the judge of the federal court must produce a certificate before his own decision can be appealed. This is an unusual provision in Canadian law. Usually in Canadian law if someone wants to appeal to an appeal court they beg leave to appeal at that very appeal court. They ask it if they can appeal a lower court's judge and the higher court, the court of appeal, decides whether their case is subject to appeal to their court or not.

However, in Bill C-86 the government is saying: "You can only appeal to the higher court if the judge whose decision you do not like certifies that you can appeal his judgment", which is not the tradition of our legal system.

When we discussed this in committee the minister and his officials said: "They do something similar in one situation in Great Britain". They may in Great Britain in one situation but the general rule in Britain and Canada and in most democratic countries is that people apply for leave to appeal to the court of appeal. They do not ask the judge whose decision they do not like to provide a certificate saying that they can appeal his judgment. For these reasons I support the hon. member.

Mr. Ross Reid (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I will be very brief. I just have a comment on this question of appeal. It is important to first recognize that what we are doing is moving from the appeal division to the trial division of the Federal Court.

The real effect of that as much as anything is to move from a panel of three to a panel of one. The impact there, quite simply, is that with more judges and more justices of the Federal Court the system can move along. I would hope that nobody would question whether—

Mr. Allmand: That's all right. We agree with that.

Mr. Reid: I am delighted to know that my friend from Notre-Dame-de-Grâce agrees.

Mr. Allmand: With that part.

Mr. Reid: With that part. The second question refers to the appeals question. It is important to point out and to recognize that there is nothing in Bill C-86 that takes away a level of review or appeal.

You can argue, and quite justly so, that Bill C-86 may not grant another level of appeal. As we try to make this system more efficient and more effective, particularly for those who are in it, it surely makes no sense when taking away a level of hearings on the refugee side to add levels on the other end.

I do not want that to be construed to say that it should be at the expense of justice. It is important to recognize that we have not taken away an existing level of appeal.

Mr. Heap: You have taken away a level of appeal.

Mr. Reid: I am making a mistake by engaging in a conversation with my colleague opposite.

I think what he would argue is that in changing the system we are taking away a level of appeal. I would argue that we have changed the system but we have not taken away a level of appeal. What we have is a justice making the decision as to whether it is in the general interest that it carry on.

It is not a question of his decision being questioned. He is not being asked to say: "I have made this decision. On the other hand, I do not know that I have made the right decision". He is being asked to say: "I have made this decision, but there remain questions of general interest or questions of the law". It is not an unreasonable decision to ask someone to make.

I think of the quality of the people who are on the Federal Court, I need not list the names because they are familiar to many of us. I think they are people who are regarded as very capable. I do not think it is a situation in which we are asking someone to criticize their own decision. The appeal is on the basis of general interest and matters of law, and not on whether the decision is a good one or a bad one. It is important that we remember that.

I say to my friend opposite in terms of the next five motions to remove clauses 113, 114, 115, 116 and 117, that frankly I am not sure of the intent and I have consulted with others. I have heard my colleague talk about why he wants to do something, but I am not sure that if we were to do this we would be in a position from which we could really carry on.

I would just like to talk about clause 116 alone. It says:

> —had been set down for hearing before that date and for which no decision has been rendered before that date, shall be heard by the Federal Court of Appeal as though section 73 of this act had not come into force.

• (1730)

I must say I am just wondering, as are those I have consulted, where all this has come from and the impact. We are quite concerned. These are transitional provisions. We would all be at a loss were they not there.

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

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): The question is on Motion No. 58. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 81. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

[*Translation*]

The vote on Motion No. 81 also applies to Motions Nos. 82, 83, 84 and 85.

We now proceed to the consideration of Motions Nos. 59, 60 and 61.

[*English*]

Mr. Dan Heap (Trinity—Spadina) moved:

Motion No. 59.

That Bill C-86 be amended in Clause 78 by striking out lines 21 to 30 at page 85 and substituting the following therefor:

"Act or the regulations."

Motion No. 60.

That Bill C-86 be amended in Clause 80 by adding immediately after line 33 at page 86 the following:

"(4) Notwithstanding this section, a transportation company is not liable to pay, in respect of a person, any administration fee for a period of more than six months after the date of entry of the person in Canada."

Motion No. 61.

That Bill C-86 be amended in Clause 82 by striking out lines 24 to 35 at page 89.

He said: Mr. Speaker, these three motions, Motions Nos. 59, 60 and 61, concern transportation companies. In the 1978 bill there were penalties provided for transportation companies bringing in undocumented aliens. The penalties were greatly increased in size and scope in the 1987 amendments and they have been further increased in size and scope here.

Some of these motions were suggested by the representatives of the transportation companies, particularly air and sea transportation, who appeared before our committee.

The focus of this part of the bill is to attempt to discourage transportation companies from bringing in undocumented aliens, that is to say people who do not have a valid passport with a visa. The present act provides heavy penalties to the owners of ships, airplanes or vehicles that bring in these undocumented aliens if the owner and the employees fail to exercise due diligence in examining the passports and visas of members or in stopping stowaways. Bill C-86 would both increase the size of the penalties and add an unfair procedure.

Motion No. 59 amends Bill C-86 by deleting lines 21 to 30 of clause 78. It requires that the transportation company either ensure that all passengers have the required documents from the time they embark until the time they are presented to the immigration officers in Canada, or else collect the documents and hold them for presentation with the passengers to the immigration officers.

This is an unreasonable requirement. It would put some ship agents, for example, right out of business. It is close to doing that under the present act but would do it more so under the proposed bill.

After all, false visas and passports which can be obtained for a price are being so well forged that even immigration officers sometimes get fooled. It is unfair to penalize transportation crews for not doing the immigration officer's specialized job better than the immigration officer himself may be able to do it.

The government did go part way by putting in the word knowingly. Transportation companies are at fault if they knowingly bring in an undocumented alien. That was a very good move which we strongly support, bringing it back to the wording that was used in the 1987 legislation. It still has an unfair procedure for penalizing them if it thinks that due diligence was not used; in other words that it was done knowingly.

In the second place the problem further is that the passport is the property of a foreign government and it is to be kept in the possession of the person who is identified by it. Ordering transportation crews to seize passports, with the visas in them, infringes the sovereignty of another government and ought not to be done without the express approval of that government.

Here is the sting: Motion No. 60 amends page 60 after line 33 by adding "notwithstanding this section, a transportation company is not liable to pay in respect of a person any administration fee for a period of more than six months after the date of entry of the person into Canada". This says that the matter cannot be dragged out for years and years, and then stick them with the fine.

The problem is that Motion No. 61 has to do with the power of the minister to take the fine out of the deposited money. The bill provides that the minister can require the transportation company to deposit the equivalent of money in an account, and then when the minister has decided that the company improperly allowed an undocumented alien to enter the country, the

deputy minister can order that the fine be taken out of that account. That is very convenient for the government; it does not have to do the work of going to court to prove that the transportation company was negligent in having allowed that undocumented alien to slip through. It just takes the money.

I suppose the transportation company can go to court and try to prove that the government was wrong in taking the money, but that is not the normal way of carrying on business, to take the money first and then have somebody else do the proving afterward. Shoot first and ask questions afterward is not in our Canadian tradition of justice.

Therefore, I ask that these three motions be adopted so as to restore a measure of fairness. I have not talked about the size of the fines, which are bigger, but I have simply requested a measure of procedural fairness for the transportation companies.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, we support these amendments. They are similar to ones that we presented in committee which would have alleviated the heavy burden that the government is putting on the transportation companies.

• (1740)

The government is applying very heavy penalties to the airlines and to the shipping companies even when these transportation companies use due diligence and do everything in their power to prevent illegal immigrants coming aboard their aeroplanes or ships. This does not seem fair. There are penalties now but this bill greatly increases the penalties.

The airline and shipping executives came to us and told us that they are at a period in their history when the airlines are going bankrupt all over the world, when their costs are exceedingly high and the government is putting this new burden on them at this time.

It is an interesting matter when the NDP and the Liberals are going to the support of the large airline companies which employ a lot of Canadians and provide a lot of employment and the bad Conservative government is putting a very heavy burden on them and shifting them closer to situations of financial impossibility.

Mr. Ross Reid (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, at the risk of being facetious and getting myself in trouble, I certainly hope if we have problems in the airline industry the government does not get blamed for the demise of one of the companies because it did not pass an amendment to Bill C-86.

As I pointed out in committee, I am the one standing up saying we should get tougher with the companies, and my two friends opposite are there loyally and I have to say diligently defending their interests.

Mr. Heap: That is your problem. You are on the wrong side.

Mr. Reid: Many have said that before. I would argue the points they make are not entirely invalid, but I would also suggest that the impact of Bill C-86 as it applies to the transportation companies is not going to be as horrendous as my friends portray.

The current act empowers companies to hold documents. As a transporter of people they are responsible for ensuring that if they bring those people to this country, those people have to be able to be accepted in this country.

If those people are not being accepted because they do not have the correct documents, and this obviously does not apply as much to refugees as it does to immigrants, then they are partly responsible for the situation and therefore they must share some of that responsibility by covering the cost.

As my colleague from Trinity—Spadina has pointed out, we did put the word knowingly in so that it cannot be an innocent situation. There is no question that the amendments we brought forward in the committee to the bill are responding to a very real change and a very real need that exists today.

I have to say that the performance of Canadian transportation companies, particularly the two airlines, has been very good. The relationship between the department and those companies is very strong because there is an understanding on what each other needs and what the problems are.

Mr. Angus: That is because they are in your back pocket.

Mr. Reid: I am not standing here defending them and that has proved to be very productive.

Quite clearly the regulations we have in this country are nowhere near as strenuous as the obligations placed particularly on air transport companies in countries like the United States where pilots literally travel—I hope I do not get any of them in trouble—with large amounts of cash accessible to them so they can pay fines and penalties and get out of countries if it is necessary.

Motion No. 60 limits the period to six months. It is recognized that part of the penalty is being responsible for the removal costs and transporting people back. It is not simply an airline ticket. It involves all that has gone on at the time. It may take some period of time to compile those costs and they are there.

We did move an amendment earlier that reflects the fact that prescribed costs can be laid down. Clearly what I hope my colleagues recognize is that there has been a genuine effort made and there is a real relationship there. The penalties are not going to be arbitrary and if one person gets through a company is not necessarily hit with this big fine. That simply will not happen and the relationship with Canadian companies has been very good, and we have seen that.

[*Translation*]

The Acting Speaker (Mr. DeBlois): It being five o'clock, pursuant to the order made earlier today and in accordance with Standing Order 78(3), it is my duty to interrupt the proceedings and put forthwith all questions necessary to dispose of the report stage of the bill now before the House.

The vote is on Motion No. 59. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

The next vote is on Motion No. 60. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the motion stands deferred.

The vote is on Motion No. 61. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Mr. Joe Comuzzi (Thunder Bay—Nipigon) moved:

Motion No. 63.

That Bill C-86 be amended in Clause 84 by striking out lines 26 and 27 at page 90 and substituting the following therefor:

"ganizes, induces or abets or attempts to organize, induce or abet the coming into".

The Acting Speaker (Mr. DeBlois): The question is on Motion No. 63. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Mr. Dan Heap (Trinity—Spadina) moved:

Motion No. 72.

That Bill C-86 be amended in Clause 102 by striking out lines 37 to 46 at page 113 and lines 1 to 45 at page 114.

The Acting Speaker (Mr. DeBlois): The question is on Motion No. 72. Is it the pleasure of the House to adopt the said motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Mr. Joe Comuzzi (Thunder Bay—Nipigon) moved:

Motion No. 76.

That Bill C-86 be amended in Clause 102 by adding immediately after line 45 at page 114 the following:

"(13)(*a*) The Minister shall lay or cause to be laid before each House of Parliament, at least thirty sitting days before its effective date, every regulation that is proposed to be made under this Act.

(*b*) For the purposes of paragraph (*a*), "sitting day" means, in respect of either House of Parliament, a day on which the House sits.

(*c*) Every regulation that is proposed to be made under this Act is subject to the examination of the Standing Committee of the House of Commons to which matters of immigration and refugee status are referred and the said committee may recommend that all or part of the said regulation be approved, changed or rejected."

The Acting Speaker (Mr. DeBlois): The question is on Motion No. 76. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour will please say yea.

Some hon. members: Yea.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Mr. Joe Comuzzi (Thunder Bay—Nipigon) moved:

Motion No. 78.

That Bill C-86 be amended in Clause 107 by adding immediately after line 38 at page 116 the following:

"121.1(1) After January 1, 1996, a comprehensive review of the provisions and operation of this Act shall be undertaken by such committee of the House of Commons or of both Houses of

Parliament as may be designated or established by Parliament for that purpose.

(2) The committee referred to in subsection (1) shall, within a year after a review is undertaken pursuant to that subsection or within such further time as Parliament may authorize, submit a report on the review to Parliament including a statement of any changes the committee recommends."

• (1750)

[*English*]

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Mr. Dan Heap (Trinity—Spadina) moved:

Motion No. 79.

That Bill C-86 be amended in Clause 109 by striking out line 44 at page 116 and substituting the following therefor:

"provision in respect of procedure of the *Immigration Act* as enacted".

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

The House will now proceed to the taking of the deferred divisions on Bill C-86, an act to amend the Immigration Act and other acts in consequence thereof. We will vote on the deferred motions as listed in the Order Paper.

The first vote will be on Motion No. 3.

Call in the members.

The House divided on Motion No. 3, which was negatived on the following division:

(*Division No. 243*)

YEAS

Members

Allmand	Althouse
Angus	Assad
Axworthy (Saskatoon—Clark's Crossing)	Axworthy (Winnipeg South Centre)
Baker	Bélair
Bellemare	Black
Blackburn (Brant)	Blaikie
Blondin-Andrew	Boudria
Breaugh	Brewin
Butland	Caccia
Campbell (South West Nova)	Chrétien
Clancy	Comuzzi
Dingwall	Duhamel
Ferguson	Fontana
Fulton	Gaffney
Gagliano	Gardiner
Gauthier	Gray (Windsor West)
Harb	Harvey (Edmonton East)
Heap	Hovdebo
Hunter	Jordan
Kaplan	Karpoff
Kilger (Stormont—Dundas)	Kindy
Kristiansen	Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)	LeBlanc (Cape Breton Highlands—Canso)
Leblanc (Longueuil)	Lee
MacDonald (Dartmouth)	MacLellan
Manley	Marleau
Martin (Lasalle—Émard)	McCurdy
Mifflin	Milliken
Mills	Murphy
Nault	Pickard
Plamondon	Rideout
Riis	Rocheleau
Rompkey	Simmons
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Speller	Stewart
Tobin	Waddell
Walker	Wappel
Whittaker	Wood
Young (Beaches—Woodbine)—77	

NAYS

Members

Anderson	Andre
Atkinson	Attewell
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Bouchard (Roberval)
Boyer	Brightwell
Browes	Cadieux
Campbell (Vancouver Centre)	Cardiff
Casey	Chadwick
Champagne (Champlain)	Chartrand
Cole	Collins
Cooper	Corbeil
Côté	Couture
Crosbie (St. John's West)	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Horner	Hudon
James	Jelinek
Johnson	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Loiselle	Lopez
MacDonald (Rosedale)	MacDougall (Timiskaming)
MacKay	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Roy-Arcelin
Saint-Julien	Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)	Siddon
Sobeski	Soetens
Sparrow	Stevenson
Tardif	Thacker
Thompson	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vézina
Vincent	Weiner
Wenman	White
Wilbee	Wilson (Etobicoke Centre)
Winegard	Worthy—118

PAIRED—MEMBERS

nil/aucun

• (1820)

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

Mr. Dingwall: Mr. Speaker, I rise on a point of order. I am not certain of the mood of the House, but perhaps there might be a disposition to apply the vote which has just been taken to Motions Nos. 5, 6, 7, 9, 10 and 14.

Mr. Riis: Mr. Speaker, we are a bit disappointed tonight. We were hoping to have an opportunity to debate these various motions. Since the government has precluded that option, I think we should at least vote on those motions, even if we cannot debate them.

Mrs. Finestone: Mr. Speaker, had I been here, it would have been my pleasure to vote with my party yes, and against the government's insensitivity.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Since there is no unanimous consent, each motion we voted on separately.

The question is on Motion No. 5.

• (1830)

The House divided on Motion No. 5, which was negatived on the following division:

(*Division No. 244*)

YEAS

Members

Allmand	Althouse
Angus	Axworthy (Saskatoon—Clark's Crossing)
Axworthy (Winnipeg South Centre)	Baker
Bélair	Bellemare
Black	Blackburn (Brant)
Blaikie	Blondin-Andrew
Boudria	Breaugh
Brewin	Butland
Caccia	Campbell (South West Nova)
Chrétien	Clancy
Comuzzi	Dingwall
Duhamel	Ferguson
Finestone	Fontana
Fulton	Gaffney
Gagliano	Gardiner
Gray (Windsor West)	Harvey (Edmonton East)
Heap	Hovdebo
Hunter	Jordan
Kaplan	Karpoff
Kilger (Stormont—Dundas)	Kindy
Kristiansen	Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)	LeBlanc (Cape Breton Highlands—Canso)
Leblanc (Longueuil)	Lee
MacDonald (Dartmouth)	MacLellan
Manley	Marleau
Martin (Lasalle—Émard)	McCurdy
Mifflin	Milliken
Mills	Murphy
Nault	Pickard
Plamondon	Rideout
Riis	Rocheleau
Rompkey	Simmons
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Speller	Stewart
Tobin	Waddell
Walker	Wappel

Wood

Young (Beaches—Woodbine)—74

NAYS

Members

Anderson
Atkinson
Beatty
Bertrand
Bjornson
Blais
Bosley
Boyer
Browes
Campbell (Vancouver Centre)
Casey
Champagne (Champlain)
Cole
Cooper
Côté
Crosbie (St. John's West)
Darling
Dick
Dorin
Edwards
Feltham
Fretz
Gibeau
Greene
Guilbault
Halliday
Hawkes
Holtmann
Hudon
Jelinek
Joncas
Kempling
Langlois
Loiselle
MacDonald (Rosedale)
MacKay
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Mitges
Nicholson
O'Kurley
Reid
Richardson
Roy-Arcelin
Scott (Victoria—Haliburton)
Siddon
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Winegard

Andre
Attewell
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Brightwell
Cadieux
Cardiff
Chadwick
Chartrand
Collins
Corbeil
Couture
Crosby (Halifax West)
Desjardins
Domm
Duplessis
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
Horner
James
Johnson
Jourdenais
Koury
Layton
Lopez
MacDougall (Timiskaming)
Marin
Mazankowski
McDermid
Merrithew
Moore
Oberle
Paproski
Reimer
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Soetens
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)
Worthy—114

PAIRED—MEMBERS

nil/aucun

The Acting Speaker (Mr. DeBlois): I declare the motion lost. The next question is on Motion No. 6.

• (1840)

The House divided on Motion No. 6, which was negatived on the following division:

(Division No. 245)

YEAS

Members

Allmand
Angus
Axworthy (Winnipeg South Centre)
Bellemare
Blackburn (Brant)
Blondin-Andrew
Brewin
Caccia
Chrétien
Comuzzi
Duhamel
Finestone
Fulton
Gagliano
Gray (Windsor West)
Heap
Hunter
Kaplan
Kilger (Stormont—Dundas)
Kristiansen
Langdon (Essex—Windsor)
Leblanc (Longueuil)
MacDonald (Dartmouth)
Manley
Martin (Lasalle—Émard)
Mifflin
Murphy
Plamondon
Riis
Rompkey
Skelly (North Island—Powell River)
Speller
Tobin
Walker
Wood

Althouse
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Black
Blaikie
Breaugh
Butland
Campbell (South West Nova)
Clancy
Dingwall
Ferguson
Fontana
Gaffney
Gardiner
Harvey (Edmonton East)
Hovdebo
Jordan
Karpoff
Kindy
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
Lee
MacLellan
Marleau
McCurdy
Mills
Nault
Rideout
Rocheleau
Simmons
Skelly (Comox—Alberni)
Stewart
Waddell
Wappel
Young (Beaches—Woodbine)—70

NAYS

Members

Anderson
Atkinson
Beatty
Bertrand
Bjornson
Blais
Bosley
Boyer
Browes
Cardiff
Chadwick
Chartrand
Collins
Corbeil
Couture
Crosby (Halifax West)
Desjardins
Dobbie
Dorin
Edwards
Feltham
Fretz
Gray (Bonaventure—Îles-de-la-Madeleine)
Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)

Andre
Attewell
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Brightwell
Campbell (Vancouver Centre)
Casey
Champagne (Champlain)
Cole
Cooper
Côté
Crosbie (St. John's West)
Darling
Dick
Domm
Duplessis
Fee
Ferland
Gibeau
Greene
Guilbault
Halliday
Hawkes

Hicks
Horner
Jelinek
Jourdenais
Koury
Layton
Lopez
MacDougall (Timiskaming)
Marin
Mazankowski
McDermid
Mitges
Nicholson
Paproski
Reimer
Richardson
Roy-Arcelin
Scott (Victoria—Haliburton)
Siddon
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
White
Wilson (Etobicoke Centre)
Holtmann
James
Joncas
Kempling
Langlois
Loiselle
MacDonald (Rosedale)
MacKay
Martin (Lincoln)
McCreath
Merrithew
Moore
O'Kurley
Reid
Ricard
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Soetens
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Wenman
Wilbee
Winegard—108

PAIRED—MEMBERS

nil/aucun

The Acting Speaker (Mr. DeBlois): I declare the motion lost. The next question is on Motion No. 7.

The House divided on Motion No. 7, which was negatived on the following division:

(*Division No. 246*)

YEAS

Members

Allmand
Angus
Axworthy (Winnipeg South Centre)
Bellemare
Blackburn (Brant)
Blondin-Andrew
Breaugh
Caccia
Clancy
Dingwall
Ferguson
Fontana
Gaffney
Gardiner
Heap
Hunter
Kaplan
Kilger (Stormont—Dundas)
Kristiansen
Langdon (Essex—Windsor)
Leblanc (Longueuil)
MacLellan
Martin (Lasalle—Émard)
Mifflin
Mills
Nault
Plamondon
Rocheleau
Simmons
Skelly (Comox—Alberni)
Stewart
Waddell
Young (Beaches—Woodbine)—65
Althouse
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Black
Blaikie
Boudria
Brewin
Chrétien
Comuzzi
Duhamel
Finestone
Fulton
Gagliano
Harvey (Edmonton East)
Hovdebo
Jordan
Karpoff
Kindy
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
McCurdy
Milliken
Murphy
Pickard
Rideout
Rompkey
Skelly (North Island—Powell River)
Speller
Tobin
Walker

NAYS

Members

Anderson
Atkinson
Beatty
Bertrand
Bjornson
Bosley
Boyer
Browes
Casey
Champagne (Champlain)
Cole
Cooper
Couture
Crosby (Halifax West)
Desjardins
Dobbie
Dorin
Edwards
Feltham
Fretz
Gray (Bonaventure—Îles-de-la-Madeleine)
Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
Hudon
Johnson
Kempling
Langlois
Lopez
MacKay
Martin (Lincoln)
McDermid
Mitges
Nicholson
Paproski
Reimer
Richardson
Saint-Julien
Scott (Hamilton—Wentworth)
Sparrow
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vincent
White
Winegard—95
Andre
Attewell
Belsher
Bird
Blenkarn
Bouchard (Roberval)
Brightwell
Cardiff
Chadwick
Chartrand
Collins
Côté
Crosbie (St. John's West)
Darling
Dick
Domm
Duplessis
Fee
Ferland
Gibeau
Greene
Guilbault
Halliday
Hawkes
Horner
James
Joncas
Koury
Layton
MacDonald (Rosedale)
Marin
McCreath
Merrithew
Moore
Oberle
Reid
Ricard
Robitaille
Scott (Victoria—Haliburton)
Soetens
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Wenman
Wilbee

PAIRED—MEMBERS

nil/aucun

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

[*English*]

Mr. Angus: Mr. Speaker, I rise on a point of order. I think everybody is aware that we are going to be here for a while. Perhaps the House would agree to let the pages head off to their studies and get ready for their exams.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I realize we need the pages more when there are more members in the House. With unanimous consent, the Chair is willing to give them permission to leave.

Some hon. members: Agreed.

Some hon. members: No.

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

[*English*]

The next question is on Motion No. 9.

The House divided on Motion No. 9, which was negatived on the following division:

(Division No. 247)

YEAS

Members

Allmand	Althouse
Angus	Axworthy (Saskatoon—Clark's Crossing)
Baker	Bélair
Bellemare	Black
Blackburn (Brant)	Blaikie
Blondin-Andrew	Boudria
Breaugh	Brewin
Caccia	Campbell (South West Nova)
Chrétien	Clancy
Comuzzi	Dingwall
Duhamel	Ferguson
Finestone	Fontana
Fulton	Gaffney
Gagliano	Gardiner
Harvey (Edmonton East)	Heap
Hovdebo	Hunter
Jordan	Karpoff
Kilger (Stormont—Dundas)	Kindy
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)	Leblanc (Longueuil)
MacLellan	Marleau
Martin (Lasalle—Émard)	McCurdy
Mifflin	Milliken
Mills	Murphy
Nault	Pickard
Plamondon	Rideout
Riis	Rocheleau
Rompkey	Simmons
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Stewart	Tobin
Waddell	Young (Beaches—Woodbine)—62

NAYS

Members

Anderson	Andre
Atkinson	Attewell
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bouchard (Roberval)	Boyer
Brightwell	Browes
Cardiff	Casey
Chadwick	Champagne (Champlain)
Cole	Collins
Cooper	Côté
Couture	Crosby (Halifax West)
Darling	Dick
Dobbie	Domm
Dorin	Duplessis
Edwards	Fee
Feltham	Ferland
Fretz	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Horner
Hudon	Johnson
Joncas	Jourdenais
Kempling	Koury
Layton	Lopez
MacDonald (Rosedale)	MacKay
Marin	Martin (Lincoln)
McCreath	McDermid
Merrithew	Mitges
Moore	Oberle
O'Kurley	Reid
Reimer	Ricard
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Soetens	Sparrow
Thacker	Thompson
Thorkelson	Tremblay (Québec-Est)
Tremblay (Lotbinière)	Valcourt
Van De Walle	Vincent
Weiner	Wenman
White	Wilbee
Winegard—89	

PAIRED—MEMBERS

nil/aucun

• (1850)

[*Translation*]

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

[*English*]

The next question is on Motion No. 10. A vote on this motion also applies to Motions Nos. 11, 12 and 13.

The House divided on Motion No. 10, which was negatived on the following division:

(Division No. 248)

YEAS

Members

Allmand	Althouse
Angus	Axworthy (Saskatoon—Clark's Crossing)
Baker	Bélair
Bellemare	Black
Blackburn (Brant)	Blaikie
Breaugh	Brewin
Caccia	Chrétien
Clancy	Comuzzi
Dingwall	Duhamel
Ferguson	Finestone
Fontana	Fulton
Gagliano	Gardiner
Harvey (Edmonton East)	Heap
Hovdebo	Hunter
Jordan	Karpoff
Kindy	Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)	LeBlanc (Cape Breton Highlands—Canso)

Leblanc (Longueuil)
MacLellan
McCurdy
Milliken
Murphy
Pickard
Rideout
Rocheleau
Simmons
Skelly (Comox—Alberni)
Stewart
Young (Beaches—Woodbine)—57

Lee
Marleau
Mifflin
Mills
Nault
Plamondon
Riis
Rompkey
Skelly (North Island—Powell River)
Speller
Waddell

NAYS

Members

Anderson
Atkinson
Belsher
Bird
Blackburn (Jonquière)
Bouchard (Roberval)
Brightwell
Cardiff
Chadwick
Chartrand
Collins
Couture
Darling
Dick
Domm
Duplessis
Feltham
Fretz
Greene
Gustafson
Harvey (Chicoutimi)
Hicks
Horner
James
Joncas
Kempling
Langlois
Lopez
Marin
McCreath
Merrithew
Moore
O'Kurley
Reimer
Saint-Julien
Soetens
Thacker
Thorkelson
Tremblay (Lotbinière)
Van De Walle
Weiner
White
Winegard—85

Andre
Beatty
Bertrand
Bjornson
Bosley
Boyer
Browes
Casey
Champagne (Champlain)
Cole
Côté
Crosby (Halifax West)
Desjardins
Dobbie
Dorin
Fee
Ferland
Gray (Bonaventure—Îles-de- la-Madeleine)
Grey (Beaver River)
Halliday
Hawkes
Holtmann
Hudon
Johnson
Jourdenais
Koury
Layton
MacKay
Martin (Lincoln)
McDermid
Mitges
Oberle
Reid
Robitaille
Scott (Victoria—Haliburton)
Sparrow
Thompson
Tremblay (Québec-Est)
Valcourt
Vincent
Wenman
Wilbee

PAIRED—MEMBERS

nil/aucun

• (1900)

[*Translation*]

The Acting Speaker (Mr. DeBlois): I declare the motion lost. Therefore Motions Nos. 11, 12 and 13 are declared lost as well.

[*English*]

The next question is on Motion No. 14. The House divided on Motion No. 14, which was negatived on the following division:

(*Division No. 249*)

YEAS

Members

Allmand
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Black
Blaikie
Breaugh
Caccia
Clancy
Dingwall
Ferguson
Fontana
Gagliano
Harvey (Edmonton East)
Hovdebo
Jordan
Karpoff
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacLellan
Martin (Lasalle—Émard)
Mifflin
Mills
Nault
Plamondon
Riis
Rompkey
Skelly (North Island—Powell River)
Speller
Waddell

Althouse
Baker
Bellemare
Blackburn (Brant)
Boudria
Brewin
Chrétien
Comuzzi
Duhamel
Finestone
Fulton
Gardiner
Heap
Hunter
Kaplan
Kristiansen
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Marleau
McCurdy
Milliken
Murphy
Pickard
Rideout
Rocheleau
Simmons
Skelly (Comox—Alberni)
Stewart
Young (Beaches—Woodbine)—58

NAYS

Members

Anderson
Atkinson
Belsher
Bird
Blenkarn
Bouchard (Roberval)
Brightwell
Cardiff
Chadwick
Chartrand
Collins
Couture
Crosby (Halifax West)
Desjardins
Dobbie
Dorin
Fee
Ferland
Friesen
Greene
Guilbault
Halliday
Hawkes
Holtmann
Hudon
Johnson
Jourdenais
Koury
Layton
Marin

Andre
Beatty
Bertrand
Bjornson
Bosley
Boyer
Browes
Casey
Champagne (Champlain)
Cole
Côté
Crosbie (St. John's West)
Darling
Dick
Domm
Duplessis
Feltham
Fretz
Gray (Bonaventure—Îles-de-la-Madeleine)
Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
Horner
James
Joncas
Kempling
Langlois
Lopez
Martin (Lincoln)

McDermid
Mitges
Oberle
Paproski
Robitaille
Scott (Victoria—Haliburton)
Sobeski
Sparrow
Thompson
Tremblay (Québec-Est)
Valcourt
Weiner
White
Winegard—87

Merrithew
Moore
O'Kurley
Reid
Saint-Julien
Scott (Hamilton—Wentworth)
Soetens
Thacker
Thorkelson
Tremblay (Lotbinière)
Van De Walle
Wenman
Wilbee

PAIRED MEMBERS

nil/aucun

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

The next question is on Motion No. 17. The House divided on Motion No. 17, which was agreed to on the following division:

(Division No. 250)

YEAS

Members

Anderson
Atkinson
Belsher
Bird
Blackburn (Jonquière)
Bosley
Boyer
Browes
Casey
Champagne (Champlain)
Cole
Cooper
Couture
Crosby (Halifax West)
Desjardins
Dobbie
Dorin
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de- la-Madeleine)
Grey (Beaver River)
Halliday
Hawkes
Holtmann
Hudon
Johnson
Jourdenais
Koury
Layton
MacKay
Martin (Lincoln)
McDougall (St. Paul's)
Mitges
Oberle
Paproski
Roy-Arcelin
Scott (Victoria—Haliburton)
Soetens
Stevenson
Thacker
Tremblay (Québec-Est)
Valcourt
Vézina
Weiner
White
Winegard—93

Andre
Beatty
Bertrand
Bjornson
Blenkarn
Bouchard (Roberval)
Brightwell
Cardiff
Chadwick
Chartrand
Collins
Côté
Crosbie (St. John's West)
Darling
Dick
Domm
Duplessis
Feltham
Fretz
Gibeau
Greene
Gustafson
Harvey (Chicoutimi)
Hicks
Horner
James
Joncas
Kempling
Langlois
Lopez
Marin
McDermid
Merrithew
Moore
O'Kurley
Reid
Saint-Julien
Sobeski
Sparrow
Tardif
Thompson
Tremblay (Lotbinière)
Van De Walle
Vincent
Wenman
Wilbee

NAYS

Members

Allmand
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Black
Blaikie
Breaugh
Caccia
Clancy
Dingwall
Ferguson
Fontana
Gagliano
Harvey (Edmonton East)
Hovdebo
Kaplan
Kristiansen
Langdon (Essex—Windsor)
Leblanc (Longueuil)
MacLellan
Martin (Lasalle—Émard)
Mifflin
Mills
Pickard
Rideout
Rocheleau
Skelly (North Island—Powell River)
Stewart
Wappel—55

Althouse
Baker
Bellemare
Blackburn (Brant)
Boudria
Brewin
Chrétien
Comuzzi
Duhamel
Finestone
Fulton
Gardiner
Heap
Hunter
Kindy
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
Lee
Marleau
McCurdy
Milliken
Murphy
Plamondon
Riis
Rompkey
Speller
Waddell

PAIRED MEMBERS

nil/aucun

• (1910)

The Acting Speaker (Mr. DeBlois): I declare the motion carried.

The next question is on Motion No. 18. A vote on this motion also applies to Motions Nos. 19 and 20.

The House divided on Motion No. 18, which was agreed to on the following division:

(Division No. 251)

YEAS

Members

Allmand
Anderson
Angus
Axworthy (Saskatoon—Clark's Crossing)
Beatty
Bellemare
Bertrand
Bjornson
Blackburn (Brant)
Blaikie
Bosley
Boudria
Breaugh
Brightwell
Caccia
Casey
Champagne (Champlain)
Chrétien

Althouse
Andre
Atkinson
Baker
Bélair
Belsher
Bird
Black
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Boyer
Brewin
Browes
Cardiff
Chadwick
Chartrand
Clancy

Cole
Comuzzi
Côté
Crosbie (St. John's West)
Darling
Dick
Dobbie
Dorin
Duplessis
Feltham
Ferland
Fontana
Friesen
Gagliano
Gibeau
Grey (Beaver River)
Halliday
Harvey (Edmonton East)
Heap
Horner
Hudon
James
Joncas
Kaplan
Kempling
Koury
Langan (Mission—Coquitlam)
Langlois
LeBlanc (Cape Breton Highlands—Canso)
Lee
MacKay
Marin
Martin (Lincoln)
McDougall (St. Paul's)
Mifflin
Mills
Moore
Oberle
Pickard
Reid
Riis
Rocheleau
Roy-Arcelin
Scott (Victoria—Haliburton)
Skelly (North Island—Powell River)
Sparrow
Stevenson
Tardif
Thompson
Tremblay (Lotbinière)
Valcourt
Vézina
Waddell
Wenman
Wilbee
Collins
Cooper
Couture
Crosby (Halifax West)
Desjardins
Dingwall
Domm
Duhamel
Fee
Ferguson
Finestone
Fretz
Fulton
Gardiner
Gray (Bonaventure—Îles-de- la-Madeleine)
Gustafson
Harvey (Chicoutimi)
Hawkes
Holtmann
Hovdebo
Hunter
Johnson
Jourdenais
Karpoff
Kindy
Kristiansen
Langdon (Essex—Windsor)
Layton
Leblanc (Longueuil)
Lopez
MacLellan
Marleau
McDermid
Merrithew
Milliken
Mitges
Murphy
O'Kurley
Plamondon
Ricard
Robitaille
Rompkey
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Speller
Stewart
Thacker
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Weiner
White
Winegard—146

NAYS

Nault
Wappel—3
Rideout

PAIRED—MEMBERS

nil/aucun

• (1920)

The Acting Speaker (Mr. Paproski): I declare the motion carried. Therefore Motions Nos. 19 and 20 are also carried.

The next question is on Motion No. 22.

The House divided on Motion No. 22, which was negatived on the following division:

(Division No. 252)

YEAS

Members

Allmand
Angus
Baker
Bellemare
Blackburn (Brant)
Boudria
Brewin
Chrétien
Comuzzi
Duhamel
Finestone
Fulton
Gagliano
Harvey (Edmonton East)
Hovdebo
Karpoff
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
Lee
Marleau
Milliken
Murphy
Pickard
Riis
Rompkey
Skelly (North Island—Powell River)
Speller
Waddell
Young (Beaches—Woodbine)—57
Althouse
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Black
Blaikie
Breaugh
Caccia
Clancy
Dingwall
Ferguson
Fontana
Gaffney
Gardiner
Heap
Hunter
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
MacLellan
Mifflin
Mills
Nault
Rideout
Rocheleau
Simmons
Skelly (Comox—Alberni)
Stewart
Wappel

NAYS

Members

Anderson
Atkinson
Belsher
Bird
Blackburn (Jonquière)
Bosley
Boyer
Browes
Casey
Champagne (Champlain)
Cole
Cooper
Couture
Crosby (Halifax West)
Desjardins
Dorin
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
Horner
James
Joncas
Kempling
Langlois
Lopez
Marin
McDermid
Merrithew
Moore
Andre
Beatty
Bertrand
Bjornson
Blenkarn
Bouchard (Roberval)
Brightwell
Cardiff
Chadwick
Chartrand
Collins
Côté
Crosbie (St. John's West)
Darling
Dick
Duplessis
Feltham
Fretz
Gibeau
Greene
Guilbault
Halliday
Hawkes
Holtmann
Hudon
Johnson
Jourdenais
Koury
Layton
MacKay
Martin (Lincoln)
McDougall (St. Paul's)
Mitges
Oberle

O'Kurley
Ricard
Roy–Arcelin
Scott (Victoria—Haliburton)
Sobeski
Stevenson
Thacker
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White—91

Reid
Robitaille
Saint–Julien
Scott (Hamilton—Wentworth)
Sparrow
Tardif
Tremblay (Québec–Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman

PAIRED—MEMBERS

nil/aucun

The Acting Speaker (Mr. Paproski): I declare the motion lost.

The next question is on Motion No. 23. The House divided on Motion No. 23, which was negatived on the following division:

(Division No. 253)

YEAS

Members

Allmand
Angus
Baker
Bellemare
Blackburn (Brant)
Boudria
Brewin
Chrétien
Comuzzi
Duhamel
Finestone
Fulton
Gagliano
Heap
Hunter
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
MacLellan
McCurdy
Milliken
Nault
Plamondon
Riis
Rompkey
Skelly (North Island—Powell River)
Stewart
Young (Beaches—Woodbine)—55

Althouse
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Black
Blaikie
Breaugh
Caccia
Clancy
Dingwall
Ferguson
Fontana
Gaffney
Gardiner
Hovdebo
Karpoff
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
Lee
Marleau
Mifflin
Murphy
Pickard
Rideout
Rocheleau
Simmons
Speller
Waddell

NAYS

Members

Anderson
Atkinson
Belsher
Bird
Blackburn (Jonquière)
Bosley
Brightwell
Cadieux
Casey
Champagne (Champlain)
Cole
Cooper
Couture
Crosby (Halifax West)
Desjardins
Dorin
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Grey (Beaver River)
Gustafson

Andre
Beatty
Bertrand
Bjornson
Blenkarn
Boyer
Browes
Cardiff
Chadwick
Chartrand
Collins
Côté
Crosbie (St. John's West)
Darling
Dick
Duplessis
Feltham
Fretz
Gibeau
Greene
Guilbault
Halliday

Harvey (Chicoutimi)
Hicks
Hudon
Johnson
Jourdenais
Koury
Layton
MacKay
Martin (Lincoln)
McDougall (St. Paul's)
Mitges
Oberle
Reid
Robitaille
Saint–Julien
Sobeski
Sparrow
Tardif
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vincent
Wenman
Wilbee—91

Hawkes
Horner
James
Joncas
Kempling
Langlois
Lopez
Marin
McDermid
Merrithew
Moore
O'Kurley
Ricard
Roy–Arcelin
Scott (Victoria—Haliburton)
Soetens
Stevenson
Thacker
Tremblay (Québec–Est)
Turner (Halton—Peel)
Van De Walle
Weiner
White

PAIRED—MEMBERS

nil/aucun

• (1930)

The Acting Speaker (Mr. Paproski): I declare the motion lost.

The next question is on Motion No. 24.

The House divided on Motion No. 24, which was negatived on the following division:

(Division No. 254)

YEAS

Members

Allmand
Angus
Baker
Bellemare
Blackburn (Brant)
Breaugh
Caccia
Dingwall
Ferguson
Fontana
Gaffney
Harvey (Edmonton East)
Hovdebo
Karpoff
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Marleau
Milliken
Plamondon
Riis

Althouse
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Black
Blaikie
Brewin
Comuzzi
Duhamel
Finestone
Fulton
Gardiner
Heap
Hunter
Kindy
LeBlanc (Cape Breton Highlands—Canso)
MacLellan
McCurdy
Pickard
Rideout
Rocheleau

Rompkey
Skelly (North Island—Powell River)
Stewart
Young (Beaches—Woodbine)—47

Simmons
Speller
Wappel

NAYS

Members

Anderson
Atkinson
Beatty
Bertrand
Bjornson
Blenkarn
Boyer
Browes
Casey
Champagne (Champlain)
Cole
Cooper
Couture
Crosby (Halifax West)
Desjardins
Duplessis
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hicks
James
Joncas
Kempling
Langlois
Lopez
Marin
McDermid
Merrithew
Moore
O'Kurley
Ricard
Roy-Arcelin
Scott (Victoria—Haliburton)
Soetens
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vincent
Wenman

Andre
Attewell
Belsher
Bird
Blackburn (Jonquière)
Bosley
Brightwell
Cardiff
Chadwick
Chartrand
Collins
Côté
Crosbie (St. John's West)
Darling
Dorin
Edwards
Feltham
Fretz
Gibeau
Greene
Gustafson
Hawkes
Hudon
Johnson
Jourdenais
Koury
Layton
MacKay
Martin (Lincoln)
McDougall (St. Paul's)
Mitges
Oberle
Reimer
Robitaille
Saint-Julien
Sobeski
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Weiner
Wilbee—88

PAIRED—MEMBERS

Cadieux
MacLellan

Chrétien
Winegard

• (1940)

The Acting Speaker (Mr. Paproski): I declare the motion lost.

The next question is on Motion No. 25.

The House divided on Motion No. 25, which was negatived on the following division:

(Division No. 255)

YEAS

Members

Althouse
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Blackburn (Brant)
Boudria
Comuzzi
Ferguson
Fulton
Gagliano
Harvey (Edmonton East)
Hovdebo
Karpoff
Langan (Mission—Coquitlam)
Leblanc (Longueuil)
McCurdy
Milliken
Pickard
Rideout
Rocheleau
Skelly (North Island—Powell River)
Speller—41

Angus
Baker
Bellemare
Blaikie
Caccia
Dingwall
Finestone
Gaffney
Gardiner
Heap
Hunter
Kindy
Langdon (Essex—Windsor)
Marleau
Mifflin
Nault
Plamondon
Riis
Rompkey
Skelly (Comox—Alberni)

NAYS

Members

Anderson
Atkinson
Beatty
Bertrand
Bjornson
Blais
Bosley
Brightwell
Cardiff
Chadwick
Cole
Cooper
Couture
Crosby (Halifax West)
Desjardins
Dorin
Edwards
Feltham
Fretz
Gibeau
Greene
Guilbault
Halliday
Hawkes
James
Joncas
Kempling
Langlois
Loiselle
Marin
McCreath
McDougall (St. Paul's)
Mitges
Oberle
Reimer
Robitaille
Saint-Julien
Sobeski
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Weiner
Wilbee

Andre
Attewell
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Casey
Champagne (Champlain)
Collins
Côté
Crosbie (St. John's West)
Darling
Dobbie
Duplessis
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
Johnson
Jourdenais
Koury
Layton
Lopez
Martin (Lincoln)
McDermid
Merrithew
Moore
Reid
Ricard
Roy-Arcelin
Scott (Victoria—Haliburton)
Soetens
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vincent
Wenman
Worthy—92

PAIRED—MEMBERS

Cadieux	Chrétien
MacLellan	Winegard

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

[*Translation*]

The next question is on Motion No. 26. An affirmative vote on Motion No. 26 obviates the need for a vote on Motions Nos. 27 and 28. A negative vote on Motion No. 26 necessitates a vote on Motion No. 27.

[*English*]

An affirmative vote on Motion No. 27 obviates the need for a vote on Motion No. 28. A negative vote on Motion No. 27 necessitates a vote on Motion No. 28.

The House divided on Motion No. 26, which was negatived on the following division:

(*Division No. 256*)

YEAS

Members

Althouse	Angus
Axworthy (Saskatoon—Clark's Crossing)	Baker
Bélair	Bellemare
Blaikie	Brewin
Caccia	Comuzzi
Dingwall	Ferguson
Finestone	Fulton
Gaffney	Gagliano
Gardiner	Harvey (Edmonton East)
Heap	Hovdebo
Hunter	Jordan
Karpoff	Kindy
Kristiansen	Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)	LeBlanc (Cape Breton Highlands—Canso)
Leblanc (Longueuil)	Marleau
McCurdy	Mifflin
Milliken	Nault
Pickard	Plamondon
Rideout	Riis
Rocheleau	Rompkey
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Speller—43	

NAYS

Members

Anderson	Andre
Atkinson	Attewell
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Casey	Chadwick
Cole	Collins
Cooper	Corbeil
Côté	Couture
Crosbie (St. John's West)	Crosby (Halifax West)
Darling	Dobbie
Dorin	Duplessis
Edwards	Fee
Feltham	Ferland
Fretz	Friesen
Gibeau	Gray (Bonaventure—Îles-de-la-Madeleine)
Greene	Grey (Beaver River)
Guilbault	Gustafson
Halliday	Harvey (Chicoutimi)
Hawkes	Hicks
Hudon	James
Joncas	Jourdenais
Kempling	Langlois
Layton	Loiselle
Lopez	Marin
Martin (Lincoln)	McCreath
McDermid	McDougall (St. Paul's)
Merrithew	Mitges
Moore	Oberle
Reid	Reimer
Ricard	Richardson
Robitaille	Roy-Arcelin
Saint-Julien	Scott (Victoria—Haliburton)
Sobeski	Soetens
Sparrow	Stevenson
Tardif	Thacker
Thompson	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vincent
Weiner	Wenman
Wilbee	Worthy—92

PAIRED—MEMBERS

Cadieux	Chrétien
MacLellan	Winegard

• (1950)

[*Translation*]

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

The next question is on Motion No. 27.

The House divided on Motion No. 27, which was negatived on the following division:

(*Division No. 257*)

YEAS

Members

Althouse	Angus
Baker	Bélair
Bellemare	Blaikie
Brewin	Caccia
Comuzzi	Dingwall
Ferguson	Finestone
Fulton	Gaffney
Gardiner	Harvey (Edmonton East)
Heap	Hovdebo
Hunter	Jordan
Karpoff	Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)	LeBlanc (Cape Breton Highlands—Canso)
Marleau	McCurdy
Mifflin	Milliken
Nault	Pickard
Rideout	Riis
Rocheleau	Rompkey
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)—36

NAYS

Members

Anderson	Attewell
Beatty	Bertrand
Bird	Bjornson
Blais	Blenkarn
Bosley	Brightwell
Browes	Campbell (Vancouver Centre)
Cardiff	Casey
Chadwick	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosbie (St. John's West)
Crosby (Halifax West)	Darling
Dorin	Duplessis
Edwards	Fee
Feltham	Ferland
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Grey (Beaver River)
Guilbault	Gustafson
Halliday	Hawkes
Hicks	Hudon
Joncas	Kempling
Langlois	Layton
Loiselle	Lopez
Marin	McCreath
McDermid	McDougall (St. Paul's)
Merrithew	Mitges
Moore	Nicholson
Oberle	Reid
Reimer	Richardson
Roy-Arcelin	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Sobeski	Soetens
Sparrow	Stevenson
Tardif	Thacker
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Valcourt	Van De Walle
Vincent	Weiner
Wenman	Worthy—76

PAIRED—MEMBERS

Cadieux	Chrétien
MacLellan	Winegard

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

[*English*]

Mr. Riis: I rise on a point of order, Mr. Speaker. Considering that we are only about a quarter of the way through the voting and recognizing that all of the pages have exams to write, I wonder if there would be unanimous consent to send some of the pages home.

Mr. Hawkes: Mr. Speaker, we concur with the sentiment that pages would be well served by spending the balance of the evening studying for their exams. There is a very easy way to do it, which is to start to allow votes we are taking now to apply to other items down the road. We have no objection to them being read so that the Canadian public knows what we are voting on, but I think Canadians find it rather ridiculous that we are holding up a lot of young people from their examinations simply to repeat voting patterns which are already well established.

An hon. member: Hear, hear.

Mr. Riis: Mr. Speaker, perhaps the people of Canada should be reminded that it was the government that decided we would do this tonight. It was the government that decided that under time allocation the votes would be tonight, and so we are simply following the rules.

• (2000)

Some hon. members: Oh, oh.

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

Mr. Hawkes: Mr. Speaker, I rise on a point of order. As I said, we could dispense with these votes certainly within a half to three quarters of an hour with a little co-operation. It does cost on average something like $200,000 an hour to run this place.

Some hon. members: Oh, oh.

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

The next question is on Motion No. 28.

The House divided on Motion No. 28, which was negatived on the following division:

(*Division No. 258*)

YEAS

Members

Althouse	Angus
Baker	Bélair
Bellemare	Blaikie
Brewin	Caccia
Clancy	Dingwall
Ferguson	Finestone
Fulton	Gardiner
Harvey (Edmonton East)	Heap
Hovdebo	Hunter
Karpoff	Kindy
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
Marleau	McCurdy
Mifflin	Milliken
Rideout	Riis
Rocheleau	Rompkey
Skelly (North Island—Powell River)	Waddell
Wappel—33	

NAYS

Members

Anderson	Attewell
Beatty	Bertrand
Bird	Bjornson
Blais	Blenkarn

Bosley
Browes
Cardiff
Cole
Cooper
Couture
Darling
Duplessis
Ferland
Gibeau
Halliday
Hawkes
Hudon
Joncas
Layton
MacKay
McDermid
Moore
Oberle
Reimer
Roy-Arcelin
Scott (Hamilton—Wentworth)
Soetens
Stevenson
Thacker
Valcourt
Weiner
Worthy—63

Brightwell
Campbell (Vancouver Centre)
Chadwick
Collins
Corbeil
Crosby (Halifax West)
Dorin
Edwards
Friesen
Gustafson
Harvey (Chicoutimi)
Hicks
James
Langlois
Loiselle
McCreath
McDougall (St. Paul's)
Nicholson
Reid
Richardson
Saint-Julien
Sobeski
Sparrow
Tardif
Tremblay (Québec-Est)
Van De Walle
Wenman

PAIRED—MEMBERS

Cadieux
MacLellan

Chrétien
Winegard

[*Translation*]

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

[*English*]

Mr. Harvey (Edmonton East): I rise on a point of order.

I am certain, Mr. Speaker, were you to test the House you would now find unanimous consent to allow the pages to leave. We get paid to stay here and do this stuff and they do not.

The Acting Speaker (Mr. DeBlois): Order, please. There is no unanimous consent.

The next question is on Motion No. 29.

The House divided on Motion No. 29, which was negatived on the following division:

(Division No. 259)

YEAS

Members

Allmand
Angus
Blaikie
Brewin
Clancy
Ferguson
Gagliano
Heap
Hunter
Kindy
Langdon (Essex—Windsor)

Althouse
Baker
Boudria
Caccia
Dingwall
Fulton
Harvey (Edmonton East)
Hovdebo
Karpoff
Langan (Mission—Coquitlam)
Leblanc (Longueuil)

Mifflin
Riis
Skelly (North Island—Powell River)

Milliken
Rocheleau
Waddell—28

NAYS

Members

Anderson
Attewell
Bertrand
Bjornson
Bosley
Campbell (Vancouver Centre)
Chadwick
Collins
Corbeil
Crosby (Halifax West)
Dick
Edwards
Ferland
Halliday
Hawkes
Holtmann
Joncas
Layton
MacKay
McDermid
Moore
Reid
Roy-Arcelin
Scott (Hamilton—Wentworth)
Sobeski
Sparrow
Thacker
Thorkelson
Turner (Halton—Peel)
Van De Walle
Wenman

Andre
Belsher
Bird
Blais
Browes
Cardiff
Cole
Cooper
Couture
Darling
Dorin
Fee
Friesen
Harvey (Chicoutimi)
Hicks
James
Kempling
Loiselle
McCreath
McDougall (St. Paul's)
Nicholson
Richardson
Saint-Julien
Siddon
Soetens
Tardif
Thompson
Tremblay (Québec-Est)
Valcourt
Weiner
Worthy—62

PAIRED—MEMBERS

Cadieux
MacLellan

Chrétien
Winegard

• (2010)

[*Translation*]

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

The next question is on Motion No. 31.

The House divided on Motion No. 31, which was negatived on the following division:

(Division No. 260)

YEAS

Members

Allmand
Baker
Boudria
Caccia
Dingwall
Fulton
Heap
Hunter
Langdon (Essex—Windsor)
Milliken
Simmons
Speller
Wappel—25

Althouse
Blaikie
Brewin
Clancy
Fontana
Gagliano
Hovdebo
Kindy
Mifflin
Riis
Skelly (North Island—Powell River)
Waddell

NAYS

Members

Andre
Attewell
Bertrand
Bjornson
Blenkarn
Browes
Cardiff
Collins
Corbeil
Darling
Dorin
Fee
Friesen
Hawkes
James
Kempling
Layton
Loiselle
McCreath
Mitges
Nicholson
Reid
Roy-Arcelin
Scott (Hamilton—Wentworth)
Sobeski
Tardif
Thompson
Tremblay (Québec-Est)
Valcourt
Wenman
Worthy—61

Atkinson
Belsher
Bird
Blais
Bosley
Campbell (Vancouver Centre)
Chadwick
Cooper
Couture
Dick
Edwards
Ferland
Halliday
Holtmann
Johnson
Langlois
Leblanc (Longueuil)
Mazankowski
McDermid
Moore
Plamondon
Rocheleau
Saint-Julien
Siddon
Sparrow
Thacker
Thorkelson
Turner (Halton—Peel)
Weiner
Wilbee

PAIRED—MEMBERS

Cadieux
MacLellan

Chrétien
Winegard

The Acting Speaker (Mr. DeBlois): I declare the motion lost. The next question is on Motion No. 32.

[*English*]

The House divided on Motion No. 32, which was agreed to on the following division:

(*Division No. 261*)

YEAS

Members

Andre
Bird
Blenkarn
Browes
Chadwick
Collins
Couture
Darling
Dobbie
Feltham
Friesen
Guilbault
Holtmann
Johnson
Langlois
Lopez
McDermid
Mitges
Paproski
Roy-Arcelin

Atkinson
Bjornson
Bosley
Campbell (Vancouver Centre)
Cole
Corbeil
Crosbie (St. John's West)
Dick
Edwards
Ferland
Greene
Hawkes
James
Kempling
Loiselle
Mazankowski
Merrithew
Nicholson
Reid
Saint-Julien

Scott (Hamilton—Wentworth)
Sobeski
Thompson
Tremblay (Québec-Est)
Valcourt
Wilbee

Siddon
Sparrow
Thorkelson
Turner (Halton—Peel)
Weiner
Worthy—52

NAYS

Members

Allmand
Angus
Baker
Boudria
Butland
Clancy
Fulton
Heap
Kindy
Leblanc (Longueuil)
Plamondon
Rocheleau
Speller
Wappel—27

Althouse
Axworthy (Saskatoon—Clark's Crossing)
Blaikie
Brewin
Caccia
Fontana
Gagliano
Hovdebo
Langdon (Essex—Windsor)
Milliken
Riis
Simmons
Waddell

PAIRED—MEMBERS

Cadieux
MacLellan

Chrétien
Winegard

The Acting Speaker (Mr. DeBlois): I declare the motion carried.

The next question is on Motion No. 34. A vote on this motion also applies to Motion No. 66.

• (2020)

[*Translation*]

An affirmative vote on Motion No. 34 obviates the need for a vote on Motion No. 67. A negative vote on Motion No. 34 necessitates a vote on Motion 67.

The House divided on Motion No. 34, which was negatived on the following division:

(*Division No. 262*)

YEAS

Members

Allmand
Angus
Baker
Boudria
Butland
Clancy
Fulton
Gagliano
Hunter
Langan (Mission—Coquitlam)
Leblanc (Longueuil)
Nault
Riis
Simmons
Waddell

Althouse
Axworthy (Saskatoon—Clark's Crossing)
Blaikie
Brewin
Caccia
Fontana
Gaffney
Heap
Kindy
Langdon (Essex—Windsor)
Milliken
Plamondon
Rocheleau
Speller
Wappel—30

NAYS

Members

Andre	Atkinson
Attewell	Belsher
Bird	Bjornson
Blenkarn	Bosley
Campbell (Vancouver Centre)	Cardiff
Casey	Chadwick
Cole	Collins
Corbeil	Côté
Crosbie (St. John's West)	Crosby (Halifax West)
Darling	Dick
Dobbie	Domm
Edwards	Feltham
Ferland	Fretz
Greene	Guilbault
Halliday	James
Johnson	Jourdenais
Kempling	Langlois
Layton	Loiselle
Lopez	Mazankowski
McDermid	Merrithew
Mitges	Moore
Nicholson	Paproski
Reid	Robitaille
Roy-Arcelin	Saint-Julien
Scott (Hamilton—Wentworth)	Siddon
Sobeski	Sparrow
Thompson	Thorkelson
Tremblay (Québec-Est)	Turner (Halton—Peel)
Valcourt	Wilbee
Worthy—59	

PAIRED—MEMBERS

Cadieux	Chrétien
MacLellan	Winegard

The Acting Speaker (Mr. DeBlois): I declare the motion lost. Therefore Motion No. 66 is also declared lost.

The next question is on Motion No. 67.

The House divided on Motion No. 67, which was negatived on the following division:

(Division No. 263)

YEAS

Members

Allmand	Althouse
Angus	Baker
Blaikie	Boudria
Brewin	Butland
Caccia	Clancy
Fontana	Fulton
Gaffney	Gagliano
Gardiner	Heap
Karpoff	Kindy
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
Leblanc (Longueuil)	McCurdy
Nault	Plamondon
Rideout	Rocheleau
Skelly (North Island—Powell River)	Speller
Whittaker—29	

NAYS

Members

Andre	Atkinson
Attewell	Belsher
Bird	Bjornson
Blackburn (Jonquière)	Blenkarn
Brightwell	Campbell (Vancouver Centre)
Casey	Chadwick
Cole	Corbeil
Côté	Crosbie (St. John's West)
Crosby (Halifax West)	Darling
Dick	Dobbie
Domm	Edwards
Feltham	Ferland
Fretz	Greene
Guilbault	Hawkes
Hudon	James
Johnson	Jourdenais
Kempling	Koury
Langlois	Larrivée
Layton	Littlechild
Loiselle	Lopez
Mazankowski	Merrithew
Mitges	Nicholson
Oberle	Reid
Ricard	Robitaille
Roy-Arcelin	Saint-Julien
Scott (Hamilton—Wentworth)	Siddon
Sobeski	Sparrow
Thompson	Thorkelson
Tremblay (Québec-Est)	Turner (Halton—Peel)
Valcourt	Van De Walle
Wenman	White
Wilbee	Wilson (Etobicoke Centre)
Worthy—65	

PAIRED—MEMBERS

Cadieux	Chrétien
MacLellan	Winegard

• (2030)

[*English*]

The Acting Speaker (Mr. Paproski): I declare the motion lost.

Mr. Scott (Hamilton—Wentworth): Mr. Speaker, I rise on a point of order. We can vote through tonight into tomorrow morning until the cows come home, but the pages' shifts normally end at this hour of 8.30 p.m. Eastern Standard Time and many of them have exams in two weeks. I do not believe these young people should be held hostage to lengthy marathon votes.

I would move, seconded by the hon. member for Etobicoke, that the pages be dismissed forthwith and give them a break. They have got exams coming up. Let us go—

The Acting Speaker (Mr. Paproski): The hon. member cannot move a motion unless he has unanimous consent.

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Paproski): There is not unanimous consent.

Mr. Skelly (Comox—Alberni): Mr. Speaker, I rise on a point of order. I think most of us have eaten so I wonder if there would be unanimous consent, if we are not prepared to let them go home, at least to let them have some of the dinner in which we are participating.

An hon. member: No.

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

The next question is on Motion No. 36.

The House divided on Motion No. 36, which was negatived on the following division:

(Division No. 264)

YEAS

Members

Allmand
Angus
Axworthy (Saskatoon—Clark's Crossing)
Axworthy (Winnipeg South Centre)
Baker
Blaikie
Boudria
Butland
Caccia
Comuzzi
Fontana
Fulton
Gaffney
Gagliano
Gardiner
Harvey (Edmonton East)
Heap
Hunter
Karpoff
Kindy
Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)
Leblanc (Longueuil)
McCurdy
Murphy
Nault
Rideout
Rocheleau
Rompkey
Skelly (North Island—Powell River)
Speller
Whittaker
Young (Beaches—Woodbine)—33

NAYS

Members

Atkinson
Beatty
Belsher
Bertrand
Bird
Bjornson
Blackburn (Jonquière)
Blenkarn
Brightwell
Campbell (Vancouver Centre)
Casey
Chadwick
Cole
Côté
Crosbie (St. John's West)
Darling
Dick
Dobbie
Domm
Edwards
Feltham
Ferland
Fretz
Greene
Grey (Beaver River)
Gustafson
Hawkes
Hicks
Hudon
James
Johnson
Jourdenais
Kempling
Koury
Larrivée
Littlechild
Loiselle
Lopez
Marin
Martin (Lincoln)
Mazankowski
Merrithew
Mitges
Nicholson
Oberle
O'Kurley
Reid
Reimer
Ricard
Robitaille
Roy-Arcelin
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Sobeski
Soetens
Sparrow
Stevenson
Thacker
Thompson
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Valcourt
Van De Walle
Wenman
White
Wilbee
Wilson (Etobicoke Centre)
Worthy—70

PAIRED—MEMBERS

Cadieux
Chrétien
MacLellan
Winegard

Madam Deputy Speaker: I declare the motion lost.

Mr. Skelly (Comox—Alberni): Mr. Speaker, I rise on a point of order. I wonder if at this point there would be unanimous consent to release the young people to go back to their studies tonight.

I wonder what kind of bitter twisted human beings would keep these young people here.

The Acting Speaker (Mr. Paproski): The next question is on Motion No. 38.

The House divided on Motion No. 38, which was negatived on the following division:

(Division No. 265)

YEAS

Members

Allmand
Angus
Axworthy (Saskatoon—Clark's Crossing)
Axworthy (Winnipeg South Centre)
Baker
Bélair
Bellemare
Black
Blaikie
Boudria
Butland
Caccia
Comuzzi
Fulton
Gaffney
Gagliano
Gardiner
Harvey (Edmonton East)
Heap
Hunter
Karpoff
Kindy
Kristiansen
Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)
Leblanc (Longueuil)
Marleau
McCurdy
Mifflin
Milliken
Murphy
Nault
Pickard
Plamondon
Rideout
Riis
Rocheleau
Rompkey
Skelly (North Island—Powell River)
Skelly (Comox—Alberni)
Speller
Waddell
Whittaker
Young (Beaches—Woodbine)—44

NAYS

Members

Anderson
Andre
Atkinson
Beatty
Belsher
Bertrand
Bird
Bjornson
Brightwell
Campbell (Vancouver Centre)

Casey
Cole
Côté
Crosby (Halifax West)
Dick
Domm
Fee
Fretz
Grey (Beaver River)
Hawkes
Hudon
Johnson
Jourdenais
Koury
Littlechild
Martin (Lincoln)
McCreath
Mitges
Oberle
Reid
Ricard
Roy-Arcelin
Siddon
Soetens
Stevenson
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
White
Wilson (Etobicoke Centre)
Chadwick
Corbeil
Crosbie (St. John's West)
Darling
Dobbie
Dorin
Feltham
Greene
Gustafson
Hicks
James
Joncas
Kempling
Larrivée
Marin
Mazankowski
Merrithew
Nicholson
O'Kurley
Reimer
Robitaille
Saint-Julien
Sobeski
Sparrow
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Wenman
Wilbee
Worthy—72

PAIRED—MEMBERS

Cadieux
MacLellan
Chrétien
Winegard

• (2040)

The Acting Speaker (Mr. Paproski): I declare the motion lost.

The next question is on Motion No. 40.

The House divided on Motion No. 40, which was agreed to on the following division:

(*Division No. 266*)

YEAS

Members

Anderson
Atkinson
Belsher
Bird
Blenkarn
Browes
Chadwick
Chartrand
Collins
Côté
Crosbie (St. John's West)
Darling
Dobbie
Dorin
Feltham
Greene
Gustafson
Hawkes
Holtmann
James
Jourdenais
Koury
Leblanc (Longueuil)
Loiselle
Andre
Beatty
Bertrand
Bjornson
Brightwell
Campbell (Vancouver Centre)
Champagne (Champlain)
Cole
Corbeil
Couture
Crosby (Halifax West)
Dick
Domm
Fee
Fretz
Grey (Beaver River)
Halliday
Hicks
Hudon
Joncas
Kempling
Larrivée
Littlechild
Lopez
Marin
Mazankowski
Merrithew
Oberle
Plamondon
Reimer
Robitaille
Roy-Arcelin
Scott (Victoria—Haliburton)
Sobeski
Sparrow
Thacker
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Weiner
White
Wilson (Etobicoke Centre)
Martin (Lincoln)
McCreath
Mitges
O'Kurley
Reid
Ricard
Rocheleau
Saint-Julien
Siddon
Soetens
Stevenson
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vincent
Wenman
Wilbee
Worthy—84

NAYS

Members

Allmand
Axworthy (Saskatoon—Clark's Crossing)
Baker
Bellemare
Blaikie
Breaugh
Caccia
Fulton
Gagliano
Harvey (Edmonton East)
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
McCurdy
Milliken
Nault
Rideout
Rompkey
Skelly (North Island—Powell River)
Speller
Whittaker
Angus
Axworthy (Winnipeg South Centre)
Bélair
Black
Boudria
Butland
Comuzzi
Gaffney
Gardiner
Heap
Karpoff
Langdon (Essex—Windsor)
Marleau
Mifflin
Murphy
Pickard
Riis
Simmons
Skelly (Comox—Alberni)
Waddell
Young (Beaches—Woodbine)—42

PAIRED—MEMBERS

Cadieux
MacLellan
Chrétien
Winegard

The Acting Speaker (Mr. DeBlois): I declare the motion carried.

The next question is on Motion No. 43. A vote on this motion will apply to Motion No. 47.

The House divided on Motion No. 43, which was negatived on the following division:

(*Division No. 267*)

YEAS

Members

Allmand
Axworthy (Winnipeg South Centre)
Bélair
Black
Boudria
Butland
Comuzzi
Fulton
Gagliano
Harvey (Edmonton East)
Hunter
Langan (Mission—Coquitlam)
Axworthy (Saskatoon—Clark's Crossing)
Baker
Bellemare
Blaikie
Breaugh
Caccia
Ferguson
Gaffney
Gardiner
Heap
Karpoff
Langdon (Essex—Windsor)

LeBlanc (Cape Breton Highlands—Canso)
Marleau
Mifflin
Murphy
Pickard
Riis
Rompkey
Skelly (Comox—Alberni)
Waddell
Young (Beaches—Woodbine)—43

Leblanc (Longueuil)
McCurdy
Milliken
Nault
Plamondon
Rocheleau
Skelly (North Island—Powell River)
Speller
Whittaker

NAYS

Members

Anderson
Atkinson
Belsher
Bird
Blenkarn
Boyer
Browes
Cardiff
Chadwick
Collins
Couture
Darling
Dobbie
Dorin
Fee
Fretz
Greene
Guilbault
Halliday
Hicks
James
Jourdenais
Koury
Loiselle
Marin
Mazankowski
McDermid
Merrithew
Oberle
Paproski
Reimer
Robitaille
Saint-Julien
Siddon
Soetens
Stevenson
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Weiner
White
Wilson (Etobicoke Centre)

Andre
Beatty
Bertrand
Bjornson
Bosley
Brightwell
Campbell (Vancouver Centre)
Casey
Cole
Corbeil
Crosbie (St. John's West)
Dick
Domm
Edwards
Feltham
Gibeau
Grey (Beaver River)
Gustafson
Hawkes
Hudon
Joncas
Kempling
Larrivée
Lopez
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Mitges
O'Kurley
Reid
Ricard
Roy-Arcelin
Scott (Victoria—Haliburton)
Sobeski
Sparrow
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vincent
Wenman
Wilbee
Worthy—86

PAIRED—MEMBERS

Cadieux
MacLellan

Chrétien
Winegard

[*Translation*]

The Acting Speaker (Mr. DeBlois): I declare the motion lost. Therefore Motion No. 47 is also declared lost.

[*English*]

Mr. Boudria: Mr. Speaker, I rise on a point of order. Given the time I wonder if the House would be disposed to apply this vote to the next motion, Motion No. 45. Would you see if there is unanimous consent to do at least that if nothing else?

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

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): There is not unanimous consent. The next question is on Motion No. 45.

The House divided on Motion No. 45, which was negatived on the following division:

(Division No. 268)

YEAS

Members

Allmand
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Fontana
Gaffney
Harvey (Edmonton East)
Hunter
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Martin (Lasalle—Émard)
Mifflin
Murphy
Pickard
Rideout
Rocheleau
Skelly (North Island—Powell River)
Stewart
Whittaker

Axworthy (Saskatoon—Clark's Crossing)
Baker
Black
Boudria
Butland
Comuzzi
Fulton
Gagliano
Heap
Karpoff
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
Marleau
McCurdy
Milliken
Nault
Plamondon
Riis
Rompkey
Speller
Waddell
Young (Beaches—Woodbine)—44

NAYS

Members

Anderson
Atkinson
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Cardiff
Chadwick
Collins
Couture
Darling
Domm
Duplessis
Fee
Fretz

Andre
Beatty
Bertrand
Bjornson
Blais
Bosley
Brightwell
Campbell (Vancouver Centre)
Casey
Cole
Corbeil
Crosbie (St. John's West)
Dick
Dorin
Edwards
Feltham
Gibeau

Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
James
Joncas
Kempling
Loiselle
Marin
McDermid
Merrithew
Oberle
Paproski
Reimer
Richardson
Scott (Victoria—Haliburton)
Soetens
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—83

Guilbault
Halliday
Hicks
Jelinek
Jourdenais
Koury
Lopez
Martin (Lincoln)
McDougall (St. Paul's)
Mitges
O'Kurley
Reid
Ricard
Saint-Julien
Siddon
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Cadieux
MacLellan

Chrétien
Winegard

• (2100)

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

The next question is on Motion No. 48.

The House divided on Motion No. 48, which was negatived on the following division:

(Division No. 269)

YEAS

Members

Allmand
Bellemare
Boudria
Caccia
Duhamel
Fulton
Gagliano
Hovdebo
Jordan
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Martin (Lasalle—Émard)
Mifflin
Nault
Plamondon
Riis
Rompkey
Skelly (Comox—Alberni)
Stewart
Young (Beaches—Woodbine)—41

Baker
Blaikie
Butland
Comuzzi
Fontana
Gaffney
Heap
Hunter
Karpoff
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
Marleau
McCurdy
Murphy
Pickard
Rideout
Rocheleau
Skelly (North Island—Powell River)
Speller
Whittaker

NAYS

Members

Anderson
Atkinson
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Cardiff
Chadwick
Côté
Crosbie (St. John's West)
Darling
Dobbie
Dorin
Edwards
Feltham
Gibeau
Guilbault
Halliday
Hicks
Horner
Jelinek
Jourdenais
Koury
Lopez
Martin (Lincoln)
McDougall (St. Paul's)
Oberle
Paproski
Reimer
Saint-Julien
Stevenson
Thacker
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Weiner
Wilbee

Andre
Beatty
Bertrand
Bjornson
Blais
Bosley
Brightwell
Campbell (Vancouver Centre)
Casey
Collins
Couture
Crosby (Halifax West)
Dick
Domm
Duplessis
Fee
Fretz
Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Holtmann
James
Joncas
Kempling
Loiselle
Marin
McDermid
Merrithew
O'Kurley
Reid
Richardson
Siddon
Tardif
Thompson
Tremblay (Lotbinière)
Valcourt
Vézina
Wenman
Worthy—78

PAIRED—MEMBERS

Cadieux
MacLellan

Chrétien
Winegard

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

The next question is on Motion No. 49.

The House divided on Motion No. 49, which was negatived on the following division:

(Division No. 270)

YEAS

Members

Allmand
Baker
Blaikie
Butland
Comuzzi
Duhamel
Fontana
Gaffney
Hovdebo
Jordan
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
Marleau
Murphy

Althouse
Bellemare
Breaugh
Caccia
Dingwall
Finestone
Fulton
Heap
Hunter
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
McCurdy
Nault

Pickard
Riis
Skelly (North Island—Powell River)
Whittaker
Plamondon
Rocheleau
Skelly (Comox—Alberni)
Young (Beaches—Woodbine)—36

NAYS

Members

Anderson
Atkinson
Belsher
Blais
Bosley
Brightwell
Cardiff
Crosbie (St. John's West)
Darling
Dobbie
Dorin
Fee
Fretz
Greene
Guilbault
Harvey (Chicoutimi)
Horner
Jelinek
Kempling
Loiselle
Marin
McDermid
Merrithew
Oberle
Reimer
Saint-Julien
Stevenson
Thacker
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vézina
Wenman
Worthy—65
Andre
Beatty
Bertrand
Blenkarn
Boyer
Browes
Collins
Crosby (Halifax West)
Dick
Domm
Duplessis
Feltham
Gibeau
Grey (Beaver River)
Gustafson
Holtmann
Hudon
Joncas
Koury
Lopez
Martin (Lincoln)
McDougall (St. Paul's)
Mitges
Paproski
Richardson
Siddon
Tardif
Thompson
Tremblay (Lotbinière)
Valcourt
Weiner
Wilbee

PAIRED—MEMBERS

Cadieux
MacLellan
Chrétien
Winegard

• (2110)

[*Translation*]

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

The next question is on Motion No. 50. An affirmative vote on Motion No. 50 obviates the need for a vote on Motion No. 51. A negative vote on Motion No. 50 necessitates a vote on Motion No. 51.

The House divided on Motion No. 50, which was negatived on the following division:

(*Division No. 271*)

YEAS

Members

Allmand
Baker
Bellemare
Brewin
Caccia
Dingwall
Althouse
Bélair
Blaikie
Butland
Comuzzi
Duhamel
Finestone
Fulton
Heap
Hunter
Karpoff
Langan (Mission—Coquitlam)
Leblanc (Longueuil)
Martin (Lasalle—Émard)
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Whittaker—37
Fontana
Gaffney
Hovdebo
Jordan
Kindy
LeBlanc (Cape Breton Highlands—Canso)
Marleau
Mifflin
Nault
Plamondon
Rocheleau
Skelly (Comox—Alberni)

NAYS

Members

Anderson
Beatty
Bertrand
Blais
Bosley
Brightwell
Cardiff
Côté
Crosby (Halifax West)
Dick
Dorin
Feltham
Gibeau
Grey (Beaver River)
Gustafson
Hawkes
Hudon
Jelinek
Kempling
Lopez
Martin (Lincoln)
McDermid
Merrithew
O'Kurley
Reimer
Saint-Julien
Siddon
Stevenson
Thacker
Tremblay (Lotbinière)
Van De Walle
Weiner
Wilbee
Atkinson
Belsher
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Collins
Crosbie (St. John's West)
Darling
Domm
Duplessis
Fretz
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Harvey (Chicoutimi)
Horner
James
Joncas
Koury
Marin
Mazankowski
McDougall (St. Paul's)
Oberle
Paproski
Richardson
Scott (Hamilton—Wentworth)
Sparrow
Tardif
Thompson
Valcourt
Vézina
Wenman
Worthy—66

PAIRED—MEMBERS

Cadieux
Chrétien
Rideout
Casey
MacLellan
Winegard

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

The next question is on Motion No. 51.

The House divided on Motion No. 51, which was negatived on the following division:

(*Division No. 272*)

YEAS

Members

Allmand
Baker
Bellemare
Breaugh
Butland
Althouse
Bélair
Blaikie
Brewin
Caccia

Dingwall	Duhamel
Finestone	Fulton
Gaffney	Gardiner
Heap	Hovdebo
Hunter	Karpoff
Kindy	Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)	Lee
Marleau	Martin (Lasalle—Émard)
Mifflin	Murphy
Pickard	Riis
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)—32

NAYS

Members

Anderson	Atkinson
Beatty	Belsher
Bertrand	Blackburn (Jonquière)
Blais	Bosley
Boyer	Brightwell
Browes	Cardiff
Chartrand	Collins
Cooper	Corbeil
Côté	Couture
Crosbie (St. John's West)	Crosby (Halifax West)
Darling	Dick
Domm	Dorin
Duplessis	Feltham
Fretz	Friesen
Gibeau	Gray (Bonaventure—Îles-de- la-Madeleine)
Guilbault	Gustafson
Hawkes	Hudon
James	Jelinek
Joncas	Kempling
Koury	Layton
Leblanc (Longueuil)	Littlechild
Lopez	Marin
Martin (Lincoln)	Mazankowski
McDougall (St. Paul's)	Merrithew
Oberle	O'Kurley
Paproski	Plamondon
Reimer	Richardson
Rocheleau	Saint-Julien
Scott (Hamilton—Wentworth)	Siddon
Sparrow	Stevenson
Tardif	Thacker
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vézina
Vincent	Weiner
Wenman	Wilbee
Wilson (Etobicoke Centre)	Worthy—74

PAIRED—MEMBERS

Cadieux	Casey
Chrêtien	MacLellan
Rideout	Winegard

• (2120)

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

The next question is on Motion No. 52.

The House divided on Motion No. 52, which was negatived on the following division:

(Division No. 273)

YEAS

Members

Allmand	Althouse
Angus	Axworthy (Winnipeg South Centre)
Baker	Bélair
Bellemare	Blaikie
Breaugh	Brewin
Butland	Caccia
Dingwall	Duhamel
Finestone	Fulton
Gaffney	Gardiner
Heap	Hovdebo
Hunter	Karpoff
Kindy	Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)	Leblanc (Longueuil)
Lee	Marleau
Martin (Lasalle—Émard)	McCurdy
Mifflin	Murphy
Plamondon	Riis
Rocheleau	Skelly (North Island—Powell River)
Skelly (Comox—Alberni)	Waddell—38

NAYS

Members

Anderson	Atkinson
Beatty	Belsher
Bertrand	Bjornson
Blackburn (Jonquière)	Blais
Bosley	Boyer
Brightwell	Browes
Cardiff	Collins
Cooper	Corbeil
Côté	Couture
Crosbie (St. John's West)	Crosby (Halifax West)
Darling	Dick
Domm	Dorin
Duplessis	Fee
Feltham	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de- la-Madeleine)	Greene
Guilbault	Gustafson
Halliday	Hawkes
Hicks	James
Jelinek	Joncas
Kempling	Layton
Littlechild	Lopez
Marin	Martin (Lincoln)
Mazankowski	McCreath
McDougall (St. Paul's)	Merrithew
Oberle	O'Kurley
Paproski	Reimer
Richardson	Saint-Julien
Scott (Hamilton—Wentworth)	Siddon
Soetens	Sparrow
Stevenson	Tardif
Thacker	Thompson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vézina
Vincent	Weiner
Wenman	White
Wilbee	Wilson (Etobicoke Centre)
Worthy—77	

PAIRED—MEMBERS

Cadieux	Casey
Chrêtien	MacLellan
Rideout	Winegard

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

The next question is on Motion No. 54.

The House divided on Motion No. 54, which was negatived on the following division:

(Division No. 274)

YEAS

Members

Allmand	Althouse
Angus	Axworthy (Winnipeg South Centre)
Baker	Bélair
Bellemare	Blaikie
Breaugh	Butland
Caccia	Comuzzi
Dingwall	Duhamel
Finestone	Fontana
Fulton	Gaffney
Gagliano	Gardiner
Harvey (Edmonton East)	Heap
Hovdebo	Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)	Marleau
Martin (Lasalle—Émard)	McCurdy
Mifflin	Murphy
Nault	Riis
Rompkey	Skelly (North Island—Powell River)
Skelly (Comox—Alberni)	Waddell—36

NAYS

Members

Anderson	Atkinson
Beatty	Belsher
Bird	Bjornson
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Cardiff	Chartrand
Collins	Cooper
Corbeil	Côté
Couture	Crosbie (St. John's West)
Crosby (Halifax West)	Darling
Dick	Duplessis
Fee	Feltham
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Guilbault	Gustafson
Halliday	Hawkes
Hicks	James
Jelinek	Joncas
Kempling	Layton
Leblanc (Longueuil)	Littlechild
Loiselle	Lopez
Marin	Martin (Lincoln)
Mazankowski	McCreath
McDougall (St. Paul's)	Oberle
O'Kurley	Paproski
Plamondon	Reimer
Ricard	Richardson
Robitaille	Rocheleau
Saint-Julien	Scott (Victoria—Haliburton)
Siddon	Soetens
Sparrow	Stevenson
Tardif	Thacker
Thompson	Tremblay (Québec-Est)
Tremblay (Lotbinière)	Turner (Halton—Peel)
Van De Walle	Vézina
Vincent	Weiner
Wenman	White
Wilbee	Wilson (Etobicoke Centre)
Worthy—79	

PAIRED—MEMBERS

Cadieux	Casey
Chrétien	MacLellan
Rideout	Winegard

• (2130)

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

[*English*]

Ms. Hunter: Mr. Speaker, if I had the opportunity to vote—

Some hon. members: Oh, oh.

Ms. Hunter: —before you called for those voting opposed to our caucus, I would have voted with our caucus.

Mr. Langdon: Mr. Speaker, I regret that I was not here when the amendment was actually read and so I could not vote—

Some hon. members: Oh, oh.

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

[*Translation*]

The time for debate has passed.

[*English*]

The next question is on Motion No. 57.

The House divided on Motion No. 57, which was negatived on the following division:

(Division No. 275)

YEAS

Members

Allmand	Althouse
Angus	Axworthy (Winnipeg South Centre)
Baker	Bélair
Bellemare	Blaikie
Breaugh	Butland
Caccia	Clancy
Comuzzi	Dingwall
Duhamel	Finestone
Fontana	Fulton
Gaffney	Gagliano
Gardiner	Harvey (Edmonton East)
Heap	Hovdebo
Hunter	Kaplan
Karpoff	Kindy
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)	Leblanc (Longueuil)
MacDonald (Dartmouth)	Marleau
Martin (Lasalle—Émard)	McCurdy
Murphy	Nault
Pickard	Plamondon
Riis	Rocheleau
Rompkey	Skelly (North Island—Powell River)
Skelly (Comox—Alberni)	Waddell—46

NAYS

Members

Anderson	Atkinson
Beatty	Belsher
Bird	Bjornson
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Cardiff	Chartrand
Collins	Cooper
Corbeil	Côté
Couture	Crosbie (St. John's West)
Darling	Dobbie
Duplessis	Edwards
Fee	Feltham
Ferland	Friesen
Gibeau	Gray (Bonaventure—Îles-de-la-Madeleine)
Greene	Gustafson
Halliday	Harvey (Chicoutimi)
Hawkes	Hicks
James	Jelinek
Joncas	Kempling
Layton	Littlechild
Loiselle	Lopez
Marin	Martin (Lincoln)
Mazankowski	McCreath
McDougall (St. Paul's)	Mitges
Oberle	O'Kurley
Paproski	Reid
Reimer	Ricard
Richardson	Robitaille
Saint-Julien	Scott (Victoria—Haliburton)
Siddon	Soetens
Sparrow	Stevenson
Tardif	Thacker
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Van De Walle
Vézina	Vincent
Weiner	Wenman
White	Wilbee
Wilson (Etobicoke Centre)	Worthy—78

PAIRED—MEMBERS

Cadieux	Casey
Chrétien	MacLellan
Rideout	Winegard

• (2140)

[*Translation*]

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

[*English*]

The next question is on Motion No. 58.

The House divided on Motion No. 58, which was negatived on the following division:

(*Division No. 276*)

YEAS

Members

Allmand	Althouse
Angus	Axworthy (Winnipeg South Centre)
Baker	Bélair
Bellemare	Blaikie
Breaugh	Butland
Caccia	Clancy
Comuzzi	Dingwall
Duhamel	Finestone
Fontana	Fulton
Gaffney	Gagliano
Gardiner	Harvey (Edmonton East)
Heap	Hovdebo
Hunter	Kaplan
Karpoff	Kindy
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)	MacDonald (Dartmouth)
Marleau	Martin (Lasalle—Émard)
McCurdy	Murphy
Nault	Pickard
Riis	Rompkey
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Waddell—43	

NAYS

Members

Anderson	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blais
Blenkarn	Bosley
Boyer	Brightwell
Browes	Campbell (Vancouver Centre)
Cardiff	Chartrand
Collins	Cooper
Corbeil	Côté
Couture	Crosbie (St. John's West)
Darling	Dobbie
Dorin	Duplessis
Edwards	Fee
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de- la-Madeleine)	Greene
Guilbault	Gustafson
Halliday	Harvey (Chicoutimi)
Hawkes	Hicks
James	Joncas
Kempling	Koury
Langlois	Layton
Leblanc (Longueuil)	Littlechild
Loiselle	Lopez
Marin	Martin (Lincoln)
Mazankowski	McCreath
McDermid	McDougall (St. Paul's)
Mitges	Oberle
O'Kurley	Paproski
Plamondon	Reid
Reimer	Ricard
Richardson	Robitaille
Rocheleau	Saint-Julien
Scott (Victoria—Haliburton)	Siddon
Soetens	Sparrow
Stevenson	Tardif
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Van De Walle
Vézina	Vincent
Weiner	Wenman
White	Wilbee
Wilson (Etobicoke Centre)	Worthy—86

PAIRED—MEMBERS

Cadieux	Casey
Chrétien	MacLellan
Rideout	Winegard

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

The next question is on Motion No. 59.

The House divided on Motion No. 59, which was negatived on the following division:

(Division No. 277)

YEAS

Members

Allmand
Angus
Bélair
Blaikie
Caccia
Comuzzi
Duhamel
Fontana
Gaffney
Gardiner
Hovdebo
Kaplan
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Marleau
Murphy
Pickard
Riis
Rompkey
Skelly (Comox—Alberni)
Althouse
Axworthy (Winnipeg South Centre)
Bellemare
Butland
Clancy
Dingwall
Finestone
Fulton
Gagliano
Heap
Hunter
Karpoff
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
McCurdy
Nault
Plamondon
Rocheleau
Skelly (North Island—Powell River)
Waddell—42

NAYS

Members

Anderson
Atkinson
Belsher
Bird
Blenkarn
Boyer
Browes
Cardiff
Chartrand
Cooper
Côté
Darling
Domm
Duplessis
Fee
Fretz
Gibeau
Greene
Gustafson
Harvey (Chicoutimi)
Hicks
Jelinek
Jourdenais
Koury
Layton
Loiselle
Marin
Mazankowski
McDermid
Merrithew
Oberle
Paproski
Ricard
Saint-Julien
Siddon
Sparrow
Thacker
Thorkelson
Tremblay (Lotbinière)
Van De Walle
Andre
Beatty
Bertrand
Bjornson
Bosley
Brightwell
Campbell (Vancouver Centre)
Chadwick
Collins
Corbeil
Couture
Dobbie
Dorin
Edwards
Ferland
Friesen
Gray (Bonaventure—Îles-de- la-Madeleine)
Guilbault
Halliday
Hawkes
James
Joncas
Kempling
Langlois
Littlechild
Lopez
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Mitges
O'Kurley
Reimer
Robitaille
Scott (Victoria—Haliburton)
Soetens
Stevenson
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vézina
Vincent
Wenman
Wilson (Etobicoke Centre)
Weiner
Wilbee
Worthy—86

PAIRED—MEMBERS

Cadieux
Chrétien
Gray (Windsor West)
Lee
Rideout
Casey
Crosbie (St. John's West)
Horner
MacLellan
Winegard

• (2150)

[*Translation*]

The Acting Speaker (Mr. DeBlois): I declare the motion lost. The next question is on Motion No. 60.

The House divided on Motion No. 60, which was negatived on the following division:

(Division No. 278)

YEAS

Members

Althouse
Bélair
Butland
Clancy
Dingwall
Finestone
Fulton
Gagliano
Heap
Hunter
Karpoff
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
McCurdy
Murphy
Plamondon
Rocheleau
Waddell—37
Axworthy (Winnipeg South Centre)
Blaikie
Caccia
Comuzzi
Duhamel
Fontana
Gaffney
Harvey (Edmonton East)
Hovdebo
Kaplan
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Marleau
Milliken
Nault
Riis
Skelly (North Island—Powell River)

NAYS

Members

Andre
Beatty
Bertrand
Bjornson
Blenkarn
Browes
Cardiff
Chartrand
Cooper
Côté
Crosby (Halifax West)
Dobbie
Dorin
Edwards
Ferland
Friesen
Greene
Guilbault
Halliday
Hicks
Jelinek
Jourdenais
Atkinson
Belsher
Bird
Blais
Boyer
Campbell (Vancouver Centre)
Chadwick
Collins
Corbeil
Couture
Darling
Domm
Duplessis
Fee
Fretz
Gray (Bonaventure—Îles-de- la-Madeleine)
Grey (Beaver River)
Gustafson
Hawkes
James
Joncas
Kempling

Koury
Layton
Loiselle
Marin
McCreath
McDougall (St. Paul's)
Mitges
O'Kurley
Saint-Julien
Siddon
Stevenson
Thompson
Tremblay (Lotbinière)
Vincent
Wilbee
Langlois
Littlechild
Lopez
Mazankowski
McDermid
Merrithew
Oberle
Robitaille
Scott (Victoria—Haliburton)
Sparrow
Thacker
Thorkelson
Vézina
Weiner
Wilson (Etobicoke Centre)—74

PAIRED—MEMBERS

Cadieux
Chrétien
Gray (Windsor West)
Lee
Rideout
Casey
Crosbie (St. John's West)
Horner
MacLellan
Winegard

[*English*]

The Acting Speaker (Mr. Paproski): I declare the motion lost.

The next question is on Motion No. 61.

The House divided on Motion No. 61, which was negatived on the following division:

(*Division No. 279*)

YEAS

Members

Allmand
Axworthy (Winnipeg South Centre)
Blaikie
Brewin
Caccia
Comuzzi
Duhamel
Fulton
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Marleau
Milliken
Nault
Riis
Skelly (North Island—Powell River)
Whittaker—37
Althouse
Bélair
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
McCurdy
Murphy
Plamondon
Rocheleau
Waddell

NAYS

Members

Andre
Beatty
Bertrand
Bjornson
Blenkarn
Boyer
Campbell (Vancouver Centre)
Chadwick
Cole
Cooper
Atkinson
Belsher
Bird
Blais
Bosley
Browes
Cardiff
Chartrand
Collins
Corbeil
Côté
Crosby (Halifax West)
Dick
Domm
Duplessis
Fee
Fretz
Greene
Guilbault
Halliday
Hicks
James
Jourdenais
Koury
Layton
Loiselle
Marin
McDermid
Merrithew
Oberle
Reid
Scott (Victoria—Haliburton)
Sparrow
Thacker
Thorkelson
Vézina
Wilson (Etobicoke Centre)
Couture
Darling
Dobbie
Dorin
Edwards
Ferland
Friesen
Grey (Beaver River)
Gustafson
Hawkes
Hudon
Jelinek
Kempling
Langlois
Littlechild
Lopez
Mazankowski
McDougall (St. Paul's)
Mitges
O'Kurley
Saint-Julien
Siddon
Stevenson
Thompson
Tremblay (Lotbinière)
Weiner
Worthy—74

PAIRED—MEMBERS

Cadieux
Chrétien
Gray (Windsor West)
Lee
Rideout
Casey
Crosbie (St. John's West)
Horner
MacLellan
Winegard

• (2200)

The Acting Speaker (Mr. Paproski): I declare the motion lost.

The next question is on Motion No. 63.

The House divided on Motion No. 63, which was negatived on the following division:

(*Division No. 280*)

YEAS

Members

Allmand
Axworthy (Winnipeg South Centre)
Blaikie
Butland
Comuzzi
Duhamel
Fulton
Harvey (Edmonton East)
Hovdebo
Kindy
Leblanc (Longueuil)
Marleau
Milliken
Nault
Plamondon
Rocheleau
Speller
Althouse
Bélair
Brewin
Caccia
Dingwall
Finestone
Gagliano
Heap
Hunter
Langdon (Essex—Windsor)
MacDonald (Dartmouth)
McCurdy
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Whittaker—34

NAYS

Members

Andre
Belsher
Bird
Blenkarn
Boyer
Cardiff
Chartrand
Collins
Corbeil
Couture
Darling
Dobbie
Duplessis
Fee
Fretz
Gibeau
Grey (Beaver River)
Gustafson
Hawkes
Hudon
Jourdenais
Koury
Layton
Loiselle
Mazankowski
McDougall (St. Paul's)
Mitges
Reid
Scott (Victoria—Haliburton)
Sparrow
Thacker
Thorkelson
Tremblay (Lotbinière)
Weiner
Winegard
Beatty
Bertrand
Bjornson
Bosley
Campbell (Vancouver Centre)
Chadwick
Cole
Cooper
Côté
Crosby (Halifax West)
Dick
Domm
Edwards
Ferland
Friesen
Greene
Guilbault
Halliday
Hicks
Jelinek
Kempling
Langlois
Littlechild
Marin
McDermid
Merrithew
Oberle
Saint-Julien
Siddon
Stevenson
Thompson
Tremblay (Québec-Est)
Vézina
Wilson (Etobicoke Centre)
Worthy—70

PAIRED—MEMBERS

Cadieux
Chrétien
Gray (Windsor West)
Lee
Rideout
Casey
Crosbie (St. John's West)
Horner
MacLellan
Winegard

The Acting Speaker (Mr. Paproski): I declare the motion lost.

The next question is on Motion No. 64.

The House divided on Motion No. 64, which was negatived on the following division:

(*Division No. 281*)

YEAS

Members

Allmand
Angus
Baker
Bellemare
Boudria
Caccia
Dingwall
Fulton
Harvey (Edmonton East)
Hovdebo
Kindy
LeBlanc (Cape Breton Highlands—Canso)
McCurdy
Murphy
Pickard
Skelly (North Island—Powell River)
Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Butland
Comuzzi
Duhamel
Gagliano
Heap
Hunter
Langdon (Essex—Windsor)
Marleau
Milliken
Nault
Riis
Whittaker—32

NAYS

Members

Andre
Belsher
Bird
Blenkarn
Brightwell
Cardiff
Chartrand
Collins
Corbeil
Crosby (Halifax West)
Dick
Domm
Duplessis
Fee
Fretz
Gibeau
Grey (Beaver River)
Gustafson
Hicks
Kempling
Langlois
Littlechild
Marin
McDermid
Merrithew
Nicholson
Plamondon
Rocheleau
Scott (Victoria—Haliburton)
Sparrow
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Weiner
Worthy—71
Beatty
Bertrand
Bjornson
Boyer
Campbell (Vancouver Centre)
Chadwick
Cole
Cooper
Couture
Darling
Dobbie
Dorin
Edwards
Ferland
Friesen
Greene
Guilbault
Halliday
Jelinek
Koury
Leblanc (Longueuil)
Loiselle
Mazankowski
McDougall (St. Paul's)
Mitges
Oberle
Reid
Saint-Julien
Siddon
Stevenson
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vézina
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout
Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

• (2210)

The Acting Speaker (Mr. Paproski): I declare the motion lost.

The next question is on Motion No. 70.

The House divided on Motion No. 70, which was negatived on the following division:

(*Division No. 282*)

YEAS

Members

Allmand
Angus
Baker
Bellemare
Boudria
Caccia
Dingwall
Fulton
Gardiner
Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Butland
Comuzzi
Duhamel
Gagliano
Harvey (Edmonton East)

Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Whittaker—37
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
McCurdy
Murphy
Pickard
Riis
Skelly (North Island—Powell River)

NAYS

Members

Andre
Beatty
Bertrand
Blenkarn
Brightwell
Cardiff
Chartrand
Collins
Corbeil
Darling
Domm
Duplessis
Fee
Fretz
Gibeau
Grey (Beaver River)
Gustafson
Hawkes
Jelinek
Koury
Littlechild
Marin
McDermid
Merrithew
Nicholson
Reid
Scott (Victoria—Haliburton)
Siddon
Sparrow
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vézina
Wilson (Etobicoke Centre)
Atkinson
Belsher
Bird
Boyer
Campbell (Vancouver Centre)
Chadwick
Cole
Cooper
Crosby (Halifax West)
Dick
Dorin
Edwards
Ferland
Friesen
Greene
Guilbault
Halliday
Hicks
Kempling
Langlois
Loiselle
Mazankowski
McDougall (St. Paul's)
Mitges
Oberle
Saint-Julien
Scott (Hamilton—Wentworth)
Soetens
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Weiner
Worthy—68

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout
Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The Acting Speaker (Mr. Paproski): I declare the motion lost.

The next question is on Motion No. 71.

The House divided on Motion No. 71, which was negatived on the following division:

(*Division No. 283*)

YEAS

Members

Allmand
Angus
Baker
Bellemare
Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Blondin-Andrew
Butland
Comuzzi
Duhamel
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Martin (Lasalle—Émard)
Murphy
Pickard
Skelly (North Island—Powell River)
Whittaker—35
Boudria
Caccia
Dingwall
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
Milliken
Nault
Riis
Waddell

NAYS

Members

Andre
Beatty
Bertrand
Blenkarn
Brightwell
Cardiff
Chartrand
Collins
Corbeil
Crosby (Halifax West)
Dick
Dorin
Edwards
Ferland
Greene
Guilbault
Halliday
Jelinek
Koury
Leblanc (Longueuil)
Loiselle
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Mitges
Oberle
Reid
Rocheleau
Scott (Victoria—Haliburton)
Soetens
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Wilson (Etobicoke Centre)
Atkinson
Belsher
Bird
Boyer
Campbell (Vancouver Centre)
Chadwick
Cole
Cooper
Couture
Darling
Domm
Duplessis
Fee
Friesen
Grey (Beaver River)
Gustafson
Hicks
Kempling
Langlois
Littlechild
Marin
Mazankowski
McDermid
Merrithew
Nicholson
Plamondon
Richardson
Saint-Julien
Siddon
Sparrow
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Weiner
Worthy—72

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout
Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

• (2220)

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

The next question is on Motion No. 72.

The House divided on Motion No. 72, which was negatived on the following division:

(Division No. 284)

YEAS

Members

Allmand	Althouse
Angus	Baker
Bellemare	Blaikie
Blondin-Andrew	Boudria
Butland	Caccia
Dingwall	Duhamel
Fulton	Gagliano
Gardiner	Harvey (Edmonton East)
Heap	Hovdebo
Hunter	Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)	Leblanc (Longueuil)
Milliken	Nault
Pickard	Plamondon
Riis	Rocheleau
Skelly (North Island—Powell River)	Whittaker—30

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Chartrand
Cole	Collins
Corbeil	Couture
Crosby (Halifax West)	Darling
Dick	Domm
Dorin	Duplessis
Edwards	Fee
Ferland	Gibeau
Greene	Grey (Beaver River)
Guilbault	Halliday
Harvey (Chicoutimi)	Hicks
James	Kempling
Koury	Langlois
Larrivée	Littlechild
Loiselle	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Nicholson
Oberle	Paproski
Ricard	Saint-Julien
Scott (Victoria—Haliburton)	Soetens
Sparrow	Thacker
Thompson	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vézina
Vincent	Weiner
Wenman	White
Wilbee	Worthy—74

PAIRED—MEMBERS

Anderson	Cadieux
Casey	Chrétien
Crosbie (St. John's West)	Gaffney
Gray (Windsor West)	Horner
Lee	MacLellan
Rideout	Winegard

[*Translation*]

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

The next question is on Motion No. 74.

The House divided on Motion No. 74, which was negatived on the following division:

(Division No. 285)

YEAS

Members

Althouse	Baker
Bellemare	Blaikie
Blondin-Andrew	Boudria
Caccia	Comuzzi
Dingwall	Duhamel
Fulton	Heap
Hovdebo	Jordan
Kindy	Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)	Leblanc (Longueuil)
Mifflin	Milliken
Murphy	Nault
Pickard	Plamondon
Riis	Rocheleau
Skelly (North Island—Powell River)	Waddell
Whittaker—29	

NAYS

Members

Beatty	Belsher
Bertrand	Blackburn (Jonquière)
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chartrand	Collins
Corbeil	Darling
Dick	Domm
Dorin	Edwards
Guilbault	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	James
Jelinek	Kempling
Loiselle	Marin
Martin (Lincoln)	Mazankowski
McDermid	McDougall (St. Paul's)
Merrithew	Mitges
Moore	Nicholson
Oberle	Reid
Ricard	Richardson
Saint-Julien	Scott (Victoria—Haliburton)
Sparrow	Thacker
Thompson	Van De Walle
Vézina	Vincent
Weiner	Wenman
White	Wilson (Etobicoke Centre)—52

PAIRED—MEMBERS

Anderson	Cadieux
Casey	Chrétien
Crosbie (St. John's West)	Gaffney
Gray (Windsor West)	Horner
Lee	MacLellan
Rideout	Winegard

• (2230)

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

The next question is Motion No. 76.

The House divided on Motion No. 76, which was negatived on the following division:

(Division No. 286)

YEAS

Members

Allmand	Althouse
Axworthy (Winnipeg South Centre)	Baker
Bellemare	Blaikie
Blondin-Andrew	Butland
Caccia	Comuzzi
Dingwall	Duhamel
Fulton	Gardiner
Harvey (Edmonton East)	Heap
Hovdebo	Hunter
Jordan	Kindy
Mifflin	Milliken
Murphy	Nault
Pickard	Riis
Skelly (North Island—Powell River)	Whittaker—28

NAYS

Members

Atkinson	Beatty
Belsher	Bertrand
Bjornson	Blackburn (Jonquière)
Blais	Bosley
Boyer	Brightwell
Browes	Campbell (Vancouver Centre)
Cardiff	Chadwick
Cole	Collins
Corbeil	Côté
Couture	Darling
Dick	Domm
Dorin	Duplessis
Fee	Fretz
Gibeau	Greene
Grey (Beaver River)	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	James
Jelinek	Kempling
Langlois	Larrivée
Layton	Leblanc (Longueuil)
Littlechild	Loiselle
Marin	Martin (Lincoln)
Mazankowski	McCreath
McDermid	McDougall (St. Paul's)
Merrithew	Mitges
Moore	Nicholson
Oberle	Plamondon
Reid	Reimer
Ricard	Richardson
Rocheleau	Saint-Julien
Scott (Victoria—Haliburton)	Sobeski
Soetens	Sparrow
Thacker	Thompson
Thorkelson	Tremblay (Québec-Est)
Tremblay (Lotbinière)	Turner (Halton—Peel)
Van De Walle	Vézina
Vincent	Weiner
Wenman	White
Wilbee	Wilson (Etobicoke Centre)
Worthy—79	

PAIRED—MEMBERS

Anderson	Cadieux
Casey	Chrétien
Crosbie (St. John's West)	Gaffney
Gray (Windsor West)	Horner
Lee	MacLellan
Rideout	Winegard

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

The next question is Motion No. 78.

The House divided on Motion No. 78, which was negatived on the following division:

(Division No. 287)

YEAS

Members

Allmand	Althouse
Axworthy (Winnipeg South Centre)	Baker
Bélair	Bellemare
Blaikie	Blondin-Andrew
Butland	Caccia
Comuzzi	Dingwall
Fulton	Gardiner
Harvey (Edmonton East)	Heap
Hovdebo	Hunter
Jordan	Kindy
Langan (Mission—Coquitlam)	LeBlanc (Cape Breton Highlands—Canso)
Leblanc (Longueuil)	Mifflin
Milliken	Murphy
Nault	Pickard
Plamondon	Rocheleau
Skelly (North Island—Powell River)	Waddell
Whittaker—33	

NAYS

Members

Atkinson	Beatty
Belsher	Bertrand
Bjornson	Blackburn (Jonquière)
Blenkarn	Bosley
Boyer	Brightwell
Browes	Campbell (Vancouver Centre)
Cardiff	Chadwick
Cole	Collins
Cooper	Côté
Couture	Darling
Desjardins	Dick
Dobbie	Dorin
Duplessis	Fretz
Gibeau	Grey (Beaver River)
Halliday	Harvey (Chicoutimi)
Hicks	Hudon
James	Jelinek
Kempling	Langlois
Layton	Littlechild
Loiselle	Marin
Martin (Lincoln)	McCreath
McDermid	McDougall (St. Paul's)
Merrithew	Mitges
Moore	Nicholson
Oberle	Paproski
Reimer	Ricard
Richardson	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Sobeski	Sparrow

Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Wenman
Wilbee
Worthy—73

Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard —Woodbine)—79

[*Translation*]

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

[*English*]

The next question is on Motion No. 79.

The House divided on Motion No. 79, which was negatived on the following division:

(*Division No. 288*)

YEAS

Members

Althouse
Blaikie
Fulton
Harvey (Edmonton East)
Hovdebo
Langan (Mission—Coquitlam)
Murphy
Skelly (North Island—Powell River)
Whittaker—17

Angus
Butland
Gardiner
Heap
Hunter
Langdon (Essex—Windsor)
Riis
Waddell

NAYS

Members

Allmand
Axworthy (Winnipeg South Centre)
Bélair
Belsher
Bird
Blackburn (Jonquière)
Blondin-Andrew
Boyer
Browes
Campbell (Vancouver Centre)
Chadwick
Cole
Comuzzi
Côté
Crosby (Halifax West)
Desjardins
Dingwall
Dorin
Edwards
Finestone
Gibeau
Grey (Beaver River)
Halliday
Hicks

Atkinson
Baker
Bellemare
Bertrand
Bjornson
Blenkarn
Bosley
Brightwell
Caccia
Cardiff
Champagne (Champlain)
Collins
Cooper
Couture
Darling
Dick
Dobbie
Duplessis
Ferland
Fretz
Gray (Bonaventure—Îles-de- la-Madeleine)
Guilbault
Harvey (Chicoutimi)
Jelinek

Jordan
Langlois
Layton
Littlechild
Lopez
Martin (Lincoln)
McDermid
Merrithew
Milliken
Moore
Nicholson
O'Kurley
Pickard
Reid
Ricard
Rocheleau
Scott (Victoria—Haliburton)
Sparrow
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Wenman
Wilson (Etobicoke Centre)

Koury
Larrivée
LeBlanc (Cape Breton Highlands—Canso)
Loiselle
Marin
McCreath
McDougall (St. Paul's)
Mifflin
Mitges
Nault
Oberle
Paproski
Plamondon
Reimer
Richardson
Saint-Julien
Sobeski
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vincent
Wilbee
Worthy—96

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

• (2250)

[*Translation*]

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

[*English*]

The next question is on Motion No. 80.

The House divided on Motion No. 80, which was agreed to on the following division:

(*Division No. 289*)

YEAS

Members

Allmand
Atkinson
Baker
Bélair
Belsher
Bird
Blackburn (Jonquière)
Blondin-Andrew
Boyer
Browes
Campbell (Vancouver Centre)
Chadwick
Chartrand
Collins
Cooper
Côté
Crosby (Halifax West)
Desjardins
Dingwall
Domm
Duplessis
Ferland
Fretz

Andre
Axworthy (Winnipeg South Centre)
Beatty
Bellemare
Bertrand
Bjornson
Blenkarn
Bosley
Brightwell
Caccia
Cardiff
Champagne (Champlain)
Cole
Comuzzi
Corbeil
Couture
Darling
Dick
Dobbie
Dorin
Edwards
Finestone
Friesen

Gibeau
Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
James
Joncas
Kempling
Langlois
Layton
Leblanc (Longueuil)
Loiselle
Marin
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Mifflin
Mitges
Nault
Oberle
Paproski
Plamondon
Reimer
Richardson
Rocheleau
Scott (Victoria—Haliburton)
Siddon
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilson (Etobicoke Centre)
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hawkes
Hudon
Jelinek
Jourdenais
Koury
Larrivée
LeBlanc (Cape Breton Highlands—Canso)
Littlechild
Lopez
Martin (Lasalle—Émard)
Mazankowski
McDermid
Merrithew
Milliken
Moore
Nicholson
O'Kurley
Pickard
Reid
Ricard
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
Wilbee
Worthy—118

NAYS

Members

Althouse
Blaikie
Fulton
Harvey (Edmonton East)
Hovdebo
Langan (Mission—Coquitlam)
Murphy
Skelly (North Island—Powell River)
Whittaker—17
Angus
Butland
Gardiner
Heap
Hunter
Langdon (Essex—Windsor)
Riis
Waddell

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout
Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The Acting Speaker (Mr. DeBlois): I declare the motion carried.

[*Translation*]

The next question is on Motion No. 81. The vote on this motion also applies to Motions Nos. 82, 83, 84 and 85.

The House divided on Motion No. 81, which was negatived on the following division:

(Division No. 290)

YEAS

Members

Althouse
Blaikie
Fulton
Harvey (Edmonton East)
Hovdebo
Langan (Mission—Coquitlam)
Murphy
Skelly (North Island—Powell River)
Whittaker—17
Angus
Butland
Gardiner
Heap
Hunter
Langdon (Essex—Windsor)
Riis
Waddeler)

NAYS

Members

Allmand
Atkinson
Axworthy (Winnipeg South Centre)
Beatty
Bellemare
Bertrand
Bjornson
Blais
Blondin-Andrew
Boyer
Browes
Campbell (Vancouver Centre)
Chadwick
Chartrand
Cole
Comuzzi
Corbeil
Couture
Darling
Dick
Dobbie
Dorin
Edwards
Ferland
Fretz
Gray (Bonaventure—Îles-de- la-Madeleine)
Guilbault
Halliday
Hawkes
Hudon
Jelinek
Jourdenais
Koury
Layton
Leblanc (Longueuil)
Loiselle
Marin
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Mifflin
Mitges
Nault
Oberle
Paproski
Plamondon
Reimer
Richardson
Rocheleau
Scott (Victoria—Haliburton)
Siddon
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Andre
Attewell
Baker
Bélair
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Bosley
Brightwell
Caccia
Cardiff
Champagne (Champlain)
Clancy
Collins
Cooper
Côté
Crosby (Halifax West)
Desjardins
Dingwall
Domm
Duplessis
Fee
Finestone
Friesen
Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
James
Joncas
Kempling
Langlois
LeBlanc (Cape Breton Highlands—Canso)
Littlechild
Lopez
Martin (Lasalle—Émard)
Mazankowski
McDermid
Merrithew
Milliken
Moore
Nicholson
O'Kurley
Pickard
Reid
Ricard
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner

Wenman
Wilbee
Worthy—121

White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

• (2300)

The Acting Speaker (Mr. DeBlois): I declare the motion lost. Therefore Motions Nos. 82, 83, 84 and 85 are lost as well.

Hon. Bernard Valcourt (Minister of Employment and Immigration) moved that Bill C-86, an act to amend the Immigration Act and other acts in consequence thereof, be concurred in.

[*English*]

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Call in the members.

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

(*Division No. 291*)

YEAS

Members

Andre
Beatty
Bertrand
Bjornson
Blais
Bosley
Brightwell
Campbell (Vancouver Centre)
Chadwick
Chartrand
Collins
Corbeil
Couture

Atkinson
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Cardiff
Champagne (Champlain)
Cole
Cooper
Côté
Crosby (Halifax West)

Darling
Dick
Domm
Duplessis
Fee
Fretz
Gibeau
Greene
Guilbault
Halliday
Hawkes
Holtmann
James
Joncas
Kempling
Langlois
Layton
Loiselle
Marin
Mazankowski
McDermid
Merrithew
Moore
Oberle
Paproski
Reimer
Richardson
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

Desjardins
Dobbie
Dorin
Edwards
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
Hudon
Jelinek
Jourdenais
Koury
Larrivée
Littlechild
Lopez
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Mitges
Nicholson
O'Kurley
Reid
Ricard
Robitaille
Scott (Victoria—Haliburton)
Siddon
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—104

NAYS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Boudria
Butland
Clancy
Dingwall
Finestone
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—43

Angus
Baker
Bellemare
Blondin-Andrew
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The Acting Speaker (Mr. DeBlois): I declare the motion carried.

* * *

[*Translation*]

PUBLIC SERVICE REFORM ACT

MEASURE TO ENACT

The House resumed from Thursday, November 19, consideration of Bill C-26, an act to amend the Public Service Employment Act, the Public Service Staff Relations Act and other acts in relation to the Public Service of Canada, as reported (with amendments) from a legislative committee.

The Acting Speaker (Mr. DeBlois): The first question is on Motion No. 1.

The House divided on Motion No. 1, which was negatived on the following division:

(*Division No. 292*)

YEAS

Members

Althouse	Angus
Axworthy (Winnipeg South Centre)	Baker
Bélair	Bellemare
Blaikie	Boudria
Breaugh	Butland
Caccia	Clancy
Comuzzi	Dingwall
Duhamel	Finestone
Fulton	Gagliano
Gardiner	Harvey (Edmonton East)
Heap	Hovdebo
Hunter	Kindy
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)	Leblanc (Longueuil)
MacDonald (Dartmouth)	Marleau
Martin (Lasalle—Émard)	Mifflin
Milliken	Murphy
Nault	Pickard
Plamondon	Riis
Rocheleau	Skelly (North Island—Powell River)
Speller	Waddell
Whittaker—43	

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker
Thompson	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vézina
Vincent	Weiner
Wenman	White
Wilbee	Wilson (Etobicoke Centre)
Worthy—105	

PAIRED—MEMBERS

Anderson	Cadieux
Casey	Chrétien
Crosbie (St. John's West)	Gaffney
Gray (Windsor West)	Horner
Lee	MacLellan
Rideout	Winegard

• (2310)

[*English*]

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

Mr. Hawkes: Mr. Speaker, I thank my colleagues on the other side. I gather there have been consultations with members of all parties. I think you might find disposition for unanimous consent to apply the vote just taken to the remaining report stage amendments on Bill C-26.

Mr. Riis: Mr. Speaker, there appears to be 42 amendments yet to deal with. I think it is important that members recognize that when the government decides to use time allocation to curtail debate it is appropriate that we vote on all the amendments put forward.

However, the point has been made tonight. As a result we will certainly give our concurrence to proceed.

Mr. Manley: Mr. Speaker, I rise on a point of order. I would ask that I be shown as voting with my party on the remaining amendments.

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

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): Motions Nos. 3, 5, 9, 11, 13, 15, 16, 18, 19, 23, 25, 27, 29, 31, 33, 34, 36, 38, 40, 42, 43, 45, 47, 51, 53, 55, 56, 58, 59, 60, 62, 64, 66, 67, 68, 70, 72, 73, 77, 79, 81 are lost.

Motions Nos. 7, 49 and 75 are also negatived.

The House divided on Motion No. 3, which was negatived on the following division:

(*Division No. 293*)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell
Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre
Beatty
Bertrand
Bjornson
Blais
Bosley
Brightwell
Campbell (Vancouver Centre)
Chadwick
Chartrand
Collins
Corbeil
Couture
Darling
Dick
Domm
Atkinson
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Cardiff
Champagne (Champlain)
Cole
Cooper
Côté
Crosby (Halifax West)
Desjardins
Dobbie
Dorin
Duplessis
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
Hudon
Jelinek
Jourdenais
Koury
Larrivée
Littlechild
Lopez
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Mitges
Nicholson
O'Kurley
Reid
Ricard
Robitaille
Scott (Victoria—Haliburton)
Siddon
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105
Edwards
Feltham
Fretz
Gibeau
Greene
Guilbault
Halliday
Hawkes
Holtmann
James
Joncas
Kempling
Langlois
Layton
Loiselle
Marin
Mazankowski
McDermid
Merrithew
Moore
Oberle
Paproski
Reimer
Richardson
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout
Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 5, which was negatived on the following division:

(*Division No. 294*)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell
Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker
Thompson	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vézina
Vincent	Weiner
Wenman	White
Wilbee	Wilson (Etobicoke Centre)
Worthy—105	

PAIRED—MEMBERS

Anderson	Cadieux
Casey	Chrétien
Crosbie (St. John's West)	Gaffney
Gray (Windsor West)	Horner
Lee	MacLellan
Rideout	Winegard

The House divided on Motion No. 9, which was negatived on the following division:

YEAS

Members

Althouse	Angus
Axworthy (Winnipeg South Centre)	Baker
Bélair	Bellemare
Blaikie	Boudria
Breaugh	Butland
Caccia	Clancy
Comuzzi	Dingwall
Duhamel	Finestone
Fulton	Gagliano
Gardiner	Harvey (Edmonton East)
Heap	Hovdebo
Hunter	Kindy
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)	Leblanc (Longueuil)
MacDonald (Dartmouth)	Manley
Marleau	Martin (Lasalle—Émard)
Mifflin	Milliken
Murphy	Nault
Pickard	Plamondon
Riis	Rocheleau
Skelly (North Island—Powell River)	Speller
Waddell	Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker

Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105

Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 11, which was negatived on the following division:

(Division No. 296)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell

Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre
Beatty
Bertrand
Bjornson
Blais
Bosley
Brightwell
Campbell (Vancouver Centre)
Chadwick
Chartrand
Collins
Corbeil
Couture
Darling
Dick
Domm
Duplessis
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)

Atkinson
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Cardiff
Champagne (Champlain)
Cole
Cooper
Côté
Crosby (Halifax West)
Desjardins
Dobbie
Dorin
Edwards
Feltham
Fretz
Gibeau
Greene

Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
Hudon
Jelinek
Jourdenais
Koury
Larrivée
Littlechild
Lopez
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Mitges
Nicholson
O'Kurley
Reid
Ricard
Robitaille
Scott (Victoria—Haliburton)
Siddon
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105

Guilbault
Halliday
Hawkes
Holtmann
James
Joncas
Kempling
Langlois
Layton
Loiselle
Marin
Mazankowski
McDermid
Merrithew
Moore
Oberle
Paproski
Reimer
Richardson
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 13, which was negatived on the following division:

(Division No. 297)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell

Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker
Thompson	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vézina
Vincent	Weiner
Wenman	White
Wilbee	Wilson (Etobicoke Centre)
Worthy—105	

PAIRED—MEMBERS

Anderson	Cadieux
Casey	Chrétien
Crosbie (St. John's West)	Gaffney
Gray (Windsor West)	Horner
Lee	MacLellan
Rideout	Winegard

The House divided on Motion No. 15, which was negatived on the following division:

(Division No. 298)

YEAS

Members

Althouse	Angus
Axworthy (Winnipeg South Centre)	Baker
Bélair	Bellemare
Blaikie	Boudria
Breaugh	Butland
Caccia	Clancy
Comuzzi	Dingwall
Duhamel	Finestone
Fulton	Gagliano
Gardiner	Harvey (Edmonton East)
Heap	Hovdebo
Hunter	Kindy
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)	Leblanc (Longueuil)
MacDonald (Dartmouth)	Manley
Marleau	Martin (Lasalle—Émard)
Mifflin	Milliken
Murphy	Nault
Pickard	Plamondon
Riis	Rocheleau
Skelly (North Island—Powell River)	Speller
Waddell	Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker

Thompson
Tremblay (Québec–Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105

Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 16, which was negatived on the following division:

(Division No. 299)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell

Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre
Beatty
Bertrand
Bjornson
Blais
Bosley
Brightwell
Campbell (Vancouver Centre)
Chadwick
Chartrand
Collins
Corbeil
Couture
Darling
Dick
Domm
Duplessis
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)

Atkinson
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Cardiff
Champagne (Champlain)
Cole
Cooper
Côté
Crosby (Halifax West)
Desjardins
Dobbie
Dorin
Edwards
Feltham
Fretz
Gibeau
Greene

Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
Hudon
Jelinek
Jourdenais
Koury
Larrivée
Littlechild
Lopez
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Mitges
Nicholson
O'Kurley
Reid
Ricard
Robitaille
Scott (Victoria—Haliburton)
Siddon
Sparrow
Tardif
Thompson
Tremblay (Québec–Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105

Guilbault
Halliday
Hawkes
Holtmann
James
Joncas
Kempling
Langlois
Layton
Loiselle
Marin
Mazankowski
McDermid
Merrithew
Moore
Oberle
Paproski
Reimer
Richardson
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 18, which was negatived on the following division:

(Division No. 300)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell

Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker
Thompson	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vézina
Vincent	Weiner
Wenman	White
Wilbee	Wilson (Etobicoke Centre)
Worthy—105	

PAIRED—MEMBERS

Anderson	Cadieux
Casey	Chrétien
Crosbie (St. John's West)	Gaffney
Gray (Windsor West)	Horner
Lee	MacLellan
Rideout	Winegard

The House divided on Motion No. 19, which was negatived on the following division:

(Division No. 301)

YEAS

Members

Althouse	Angus
Axworthy (Winnipeg South Centre)	Baker
Bélair	Bellemare
Blaikie	Boudria
Breaugh	Butland
Caccia	Clancy
Comuzzi	Dingwall
Duhamel	Finestone
Fulton	Gagliano
Gardiner	Harvey (Edmonton East)
Heap	Hovdebo
Hunter	Kindy
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)	Leblanc (Longueuil)
MacDonald (Dartmouth)	Manley
Marleau	Martin (Lasalle—Émard)
Mifflin	Milliken
Murphy	Nault
Pickard	Plamondon
Riis	Rocheleau
Skelly (North Island—Powell River)	Speller
Waddell	Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker

Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105

Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 23, which was negatived on the following division:

(*Division No. 302*)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell

Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre
Beatty
Bertrand
Bjornson
Blais
Bosley
Brightwell
Campbell (Vancouver Centre)
Chadwick
Chartrand
Collins
Corbeil
Couture
Darling
Dick
Domm
Duplessis
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)

Atkinson
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Cardiff
Champagne (Champlain)
Cole
Cooper
Côté
Crosby (Halifax West)
Desjardins
Dobbie
Dorin
Edwards
Feltham
Fretz
Gibeau
Greene

Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
Hudon
Jelinek
Jourdenais
Koury
Larrivée
Littlechild
Lopez
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Mitges
Nicholson
O'Kurley
Reid
Ricard
Robitaille
Scott (Victoria—Haliburton)
Siddon
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105

Guilbault
Halliday
Hawkes
Holtmann
James
Joncas
Kempling
Langlois
Layton
Loiselle
Marin
Mazankowski
McDermid
Merrithew
Moore
Oberle
Paproski
Reimer
Richardson
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 25, which was negatived on the following division:

(*Division No. 303*)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell

Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker
Thompson	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vézina
Vincent	Weiner
Wenman	White
Wilbee	Wilson (Etobicoke Centre)
Worthy—105	

PAIRED—MEMBERS

Anderson	Cadieux
Casey	Chrétien
Crosbie (St. John's West)	Gaffney
Gray (Windsor West)	Horner
Lee	MacLellan
Rideout	Winegard

The House divided on Motion No. 27, which was negatived on the following division:

YEAS

Members

Althouse	Angus
Axworthy (Winnipeg South Centre)	Baker
Bélair	Bellemare
Blaikie	Boudria
Breaugh	Butland
Caccia	Clancy
Comuzzi	Dingwall
Duhamel	Finestone
Fulton	Gagliano
Gardiner	Harvey (Edmonton East)
Heap	Hovdebo
Hunter	Kindy
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)	Leblanc (Longueuil)
MacDonald (Dartmouth)	Manley
Marleau	Martin (Lasalle—Émard)
Mifflin	Milliken
Murphy	Nault
Pickard	Plamondon
Riis	Rocheleau
Skelly (North Island—Powell River)	Speller
Waddell	Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker

Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105

Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 29, which was negatived on the following division:

(Division No. 305)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell

Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre
Beatty
Bertrand
Bjornson
Blais
Bosley
Brightwell
Campbell (Vancouver Centre)
Chadwick
Chartrand
Collins
Corbeil
Couture
Darling
Dick
Domm
Duplessis
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)

Atkinson
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Cardiff
Champagne (Champlain)
Cole
Cooper
Côté
Crosby (Halifax West)
Desjardins
Dobbie
Dorin
Edwards
Feltham
Fretz
Gibeau
Greene

Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
Hudon
Jelinek
Jourdenais
Koury
Larrivée
Littlechild
Lopez
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Mitges
Nicholson
O'Kurley
Reid
Ricard
Robitaille
Scott (Victoria—Haliburton)
Siddon
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105

Guilbault
Halliday
Hawkes
Holtmann
James
Joncas
Kempling
Langlois
Layton
Loiselle
Marin
Mazankowski
McDermid
Merrithew
Moore
Oberle
Paproski
Reimer
Richardson
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 31, which was negatived on the following division:

(Division No. 306)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell

Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker
Thompson	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vézina
Vincent	Weiner
Wenman	White
Wilbee	Wilson (Etobicoke Centre)
Worthy—105	

PAIRED—MEMBERS

Anderson	Cadieux
Casey	Chrétien
Crosbie (St. John's West)	Gaffney
Gray (Windsor West)	Horner
Lee	MacLellan
Rideout	Winegard

The House divided on Motion No. 33, which was negatived on the following division:

(Division No. 307)

YEAS

Members

Althouse	Angus
Axworthy (Winnipeg South Centre)	Baker
Bélair	Bellemare
Blaikie	Boudria
Breaugh	Butland
Caccia	Clancy
Comuzzi	Dingwall
Duhamel	Finestone
Fulton	Gagliano
Gardiner	Harvey (Edmonton East)
Heap	Hovdebo
Hunter	Kindy
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)	Leblanc (Longueuil)
MacDonald (Dartmouth)	Manley
Marleau	Martin (Lasalle—Émard)
Mifflin	Milliken
Murphy	Nault
Pickard	Plamondon
Riis	Rocheleau
Skelly (North Island—Powell River)	Speller
Waddell	Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker

Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout
Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 34, which was negatived on the following division:

(Division No. 308)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell
Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre
Beatty
Bertrand
Bjornson
Blais
Bosley
Brightwell
Campbell (Vancouver Centre)
Chadwick
Chartrand
Collins
Corbeil
Couture
Darling
Dick
Domm
Duplessis
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Atkinson
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Cardiff
Champagne (Champlain)
Cole
Cooper
Côté
Crosby (Halifax West)
Desjardins
Dobbie
Dorin
Edwards
Feltham
Fretz
Gibeau
Greene
Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
Hudon
Jelinek
Jourdenais
Koury
Larrivée
Littlechild
Lopez
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Mitges
Nicholson
O'Kurley
Reid
Ricard
Robitaille
Scott (Victoria—Haliburton)
Siddon
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105
Guilbault
Halliday
Hawkes
Holtmann
James
Joncas
Kempling
Langlois
Layton
Loiselle
Marin
Mazankowski
McDermid
Merrithew
Moore
Oberle
Paproski
Reimer
Richardson
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout
Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 36, which was negatived on the following division:

(Division No. 309)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell
Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker
Thompson	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vézina
Vincent	Weiner
Wenman	White
Wilbee	Wilson (Etobicoke Centre)
Worthy—105	

PAIRED—MEMBERS

Anderson	Cadieux
Casey	Chrétien
Crosbie (St. John's West)	Gaffney
Gray (Windsor West)	Horner
Lee	MacLellan
Rideout	Winegard

The House divided on Motion No. 38, which was negatived on the following division:

(Division No. 310)

YEAS

Members

lthouse	Angus
Axworthy (Winnipeg South Centre)	Baker
Bélair	Bellemare
Blaikie	Boudria
Breaugh	Butland
Caccia	Clancy
Comuzzi	Dingwall
Duhamel	Finestone
Fulton	Gagliano
Gardiner	Harvey (Edmonton East)
Heap	Hovdebo
Hunter	Kindy
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)	Leblanc (Longueuil)
MacDonald (Dartmouth)	Manley
Marleau	Martin (Lasalle—Émard)
Mifflin	Milliken
Murphy	Nault
Pickard	Plamondon
Riis	Rocheleau
Skelly (North Island—Powell River)	Speller
Waddell	Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker

Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105

Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 40, which was negatived on the following division:

(Division No. 311)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell

Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre
Beatty
Bertrand
Bjornson
Blais
Bosley
Brightwell
Campbell (Vancouver Centre)
Chadwick
Chartrand
Collins
Corbeil
Couture
Darling
Dick
Domm
Duplessis
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)

Atkinson
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Cardiff
Champagne (Champlain)
Cole
Cooper
Côté
Crosby (Halifax West)
Desjardins
Dobbie
Dorin
Edwards
Feltham
Fretz
Gibeau
Greene

Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
Hudon
Jelinek
Jourdenais
Koury
Larrivée
Littlechild
Lopez
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Mitges
Nicholson
O'Kurley
Reid
Ricard
Robitaille
Scott (Victoria—Haliburton)
Siddon
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105

Guilbault
Halliday
Hawkes
Holtmann
James
Joncas
Kempling
Langlois
Layton
Loiselle
Marin
Mazankowski
McDermid
Merrithew
Moore
Oberle
Paproski
Reimer
Richardson
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 42, which was negatived on the following division:

(Division No. 312)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell

Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker
Thompson	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vézina
Vincent	Weiner
Wenman	White
Wilbee	Wilson (Etobicoke Centre)
Worthy—105	

PAIRED—MEMBERS

Anderson	Cadieux
Casey	Chrétien
Crosbie (St. John's West)	Gaffney
Gray (Windsor West)	Horner
Lee	MacLellan
Rideout	Winegard

The House divided on Motion No. 43, which was negatived on the following division:

YEAS

Members

Althouse	Angus
Axworthy (Winnipeg South Centre)	Baker
Bélair	Bellemare
Blaikie	Boudria
Breaugh	Butland
Caccia	Clancy
Comuzzi	Dingwall
Duhamel	Finestone
Fulton	Gagliano
Gardiner	Harvey (Edmonton East)
Heap	Hovdebo
Hunter	Kindy
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)	Leblanc (Longueuil)
MacDonald (Dartmouth)	Manley
Marleau	Martin (Lasalle—Émard)
Mifflin	Milliken
Murphy	Nault
Pickard	Plamondon
Riis	Rocheleau
Skelly (North Island—Powell River)	Speller
Waddell	Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker

Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105

Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 45, which was negatived on the following division:

(Division No. 314)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell

Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre
Beatty
Bertrand
Bjornson
Blais
Bosley
Brightwell
Campbell (Vancouver Centre)
Chadwick
Chartrand
Collins
Corbeil
Couture
Darling
Dick
Domm
Duplessis
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)

Atkinson
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Cardiff
Champagne (Champlain)
Cole
Cooper
Côté
Crosby (Halifax West)
Desjardins
Dobbie
Dorin
Edwards
Feltham
Fretz
Gibeau
Greene

Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
Hudon
Jelinek
Jourdenais
Koury
Larrivée
Littlechild
Lopez
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Mitges
Nicholson
O'Kurley
Reid
Ricard
Robitaille
Scott (Victoria—Haliburton)
Siddon
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105

Guilbault
Halliday
Hawkes
Holtmann
James
Joncas
Kempling
Langlois
Layton
Loiselle
Marin
Mazankowski
McDermid
Merrithew
Moore
Oberle
Paproski
Reimer
Richardson
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 47, which was negatived on the following division:

(Division No. 315)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell

Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker
Thompson	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vézina
Vincent	Weiner
Wenman	White
Wilbee	Wilson (Etobicoke Centre)
Worthy—105	

PAIRED—MEMBERS

Anderson	Cadieux
Casey	Chrétien
Crosbie (St. John's West)	Gaffney
Gray (Windsor West)	Horner
Lee	MacLellan
Rideout	Winegard

The House divided on Motion No. 51, which was negatived on the following division:

YEAS

Members

Althouse	Angus
Axworthy (Winnipeg South Centre)	Baker
Bélair	Bellemare
Blaikie	Boudria
Breaugh	Butland
Caccia	Clancy
Comuzzi	Dingwall
Duhamel	Finestone
Fulton	Gagliano
Gardiner	Harvey (Edmonton East)
Heap	Hovdebo
Hunter	Kindy
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)	Leblanc (Longueuil)
MacDonald (Dartmouth)	Manley
Marleau	Martin (Lasalle—Émard)
Mifflin	Milliken
Murphy	Nault
Pickard	Plamondon
Riis	Rocheleau
Skelly (North Island—Powell River)	Speller
Waddell	Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker

Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105

Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 53, which was negatived on the following division:

(Division No. 317)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell

Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre
Beatty
Bertrand
Bjornson
Blais
Bosley
Brightwell
Campbell (Vancouver Centre)
Chadwick
Chartrand
Collins
Corbeil
Couture
Darling
Dick
Domm
Duplessis
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)

Atkinson
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Cardiff
Champagne (Champlain)
Cole
Cooper
Côté
Crosby (Halifax West)
Desjardins
Dobbie
Dorin
Edwards
Feltham
Fretz
Gibeau
Greene

Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
Hudon
Jelinek
Jourdenais
Koury
Larrivée
Littlechild
Lopez
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Mitges
Nicholson
O'Kurley
Reid
Ricard
Robitaille
Scott (Victoria—Haliburton)
Siddon
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105

Guilbault
Halliday
Hawkes
Holtmann
James
Joncas
Kempling
Langlois
Layton
Loiselle
Marin
Mazankowski
McDermid
Merrithew
Moore
Oberle
Paproski
Reimer
Richardson
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 55, which was negatived on the following division:

(Division No. 318)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell

Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker
Thompson	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vézina
Vincent	Weiner
Wenman	White
Wilbee	Wilson (Etobicoke Centre)
Worthy—105	

PAIRED—MEMBERS

Anderson	Cadieux
Casey	Chrétien
Crosbie (St. John's West)	Gaffney
Gray (Windsor West)	Horner
Lee	MacLellan
Rideout	Winegard

The House divided on Motion No. 56, which was negatived on the following division:

(Division No. 319)

YEAS

Members

Althouse	Angus
Axworthy (Winnipeg South Centre)	Baker
Bélair	Bellemare
Blaikie	Boudria
Breaugh	Butland
Caccia	Clancy
Comuzzi	Dingwall
Duhamel	Finestone
Fulton	Gagliano
Gardiner	Harvey (Edmonton East)
Heap	Hovdebo
Hunter	Kindy
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)	Leblanc (Longueuil)
MacDonald (Dartmouth)	Manley
Marleau	Martin (Lasalle—Émard)
Mifflin	Milliken
Murphy	Nault
Pickard	Plamondon
Riis	Rocheleau
Skelly (North Island—Powell River)	Speller
Waddell	Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker

Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105

Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 58, which was negatived on the following division:

(Division No. 320)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell

Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre
Beatty
Bertrand
Bjornson
Blais
Bosley
Brightwell
Campbell (Vancouver Centre)
Chadwick
Chartrand
Collins
Corbeil
Couture
Darling
Dick
Domm
Duplessis
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)

Atkinson
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Cardiff
Champagne (Champlain)
Cole
Cooper
Côté
Crosby (Halifax West)
Desjardins
Dobbie
Dorin
Edwards
Feltham
Fretz
Gibeau
Greene

Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
Hudon
Jelinek
Jourdenais
Koury
Larrivée
Littlechild
Lopez
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Mitges
Nicholson
O'Kurley
Reid
Ricard
Robitaille
Scott (Victoria—Haliburton)
Siddon
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105

Guilbault
Halliday
Hawkes
Holtmann
James
Joncas
Kempling
Langlois
Layton
Loiselle
Marin
Mazankowski
McDermid
Merrithew
Moore
Oberle
Paproski
Reimer
Richardson
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 59, which was negatived on the following division:

(Division No. 321)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell

Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker
Thompson	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vézina
Vincent	Weiner
Wenman	White
Wilbee	Wilson (Etobicoke Centre)
Worthy—105	

PAIRED—MEMBERS

Anderson	Cadieux
Casey	Chrétien
Crosbie (St. John's West)	Gaffney
Gray (Windsor West)	Horner
Lee	MacLellan
Rideout	Winegard

The House divided on Motion No. 60, which was negatived on the following division:

(Division No. 322)

YEAS

Members

Althouse	Angus
Axworthy (Winnipeg South Centre)	Baker
Bélair	Bellemare
Blaikie	Boudria
Breaugh	Butland
Caccia	Clancy
Comuzzi	Dingwall
Duhamel	Finestone
Fulton	Gagliano
Gardiner	Harvey (Edmonton East)
Heap	Hovdebo
Hunter	Kindy
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)	Leblanc (Longueuil)
MacDonald (Dartmouth)	Manley
Marleau	Martin (Lasalle—Émard)
Mifflin	Milliken
Murphy	Nault
Pickard	Plamondon
Riis	Rocheleau
Skelly (North Island—Powell River)	Speller
Waddell	Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker

Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105

Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 62, which was negatived on the following division:

(Division No. 323)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell

Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre
Beatty
Bertrand
Bjornson
Blais
Bosley
Brightwell
Campbell (Vancouver Centre)
Chadwick
Chartrand
Collins
Corbeil
Couture
Darling
Dick
Domm
Duplessis
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)

Atkinson
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Cardiff
Champagne (Champlain)
Cole
Cooper
Côté
Crosby (Halifax West)
Desjardins
Dobbie
Dorin
Edwards
Feltham
Fretz
Gibeau
Greene

Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
Hudon
Jelinek
Jourdenais
Koury
Larrivée
Littlechild
Lopez
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Mitges
Nicholson
O'Kurley
Reid
Ricard
Robitaille
Scott (Victoria—Haliburton)
Siddon
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105

Guilbault
Halliday
Hawkes
Holtmann
James
Joncas
Kempling
Langlois
Layton
Loiselle
Marin
Mazankowski
McDermid
Merrithew
Moore
Oberle
Paproski
Reimer
Richardson
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 64, which was negatived on the following division:

(Division No. 324)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell

Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker
Thompson	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vézina
Vincent	Weiner
Wenman	White
Wilbee	Wilson (Etobicoke Centre)
Worthy—105	

PAIRED—MEMBERS

Anderson	Cadieux
Casey	Chrétien
Crosbie (St. John's West)	Gaffney
Gray (Windsor West)	Horner
Lee	MacLellan
Rideout	Winegard

The House divided on Motion No. 66, which was negatived on the following division:

(Division No. 325)

YEAS

Members

Althouse	Angus
Axworthy (Winnipeg South Centre)	Baker
Bélair	Bellemare
Blaikie	Boudria
Breaugh	Butland
Caccia	Clancy
Comuzzi	Dingwall
Duhamel	Finestone
Fulton	Gagliano
Gardiner	Harvey (Edmonton East)
Heap	Hovdebo
Hunter	Kindy
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)	Leblanc (Longueuil)
MacDonald (Dartmouth)	Manley
Marleau	Martin (Lasalle—Émard)
Mifflin	Milliken
Murphy	Nault
Pickard	Plamondon
Riis	Rocheleau
Skelly (North Island—Powell River)	Speller
Waddell	Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker

Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105

Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 67, which was negatived on the following division:

(Division No. 326)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell

Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre
Beatty
Bertrand
Bjornson
Blais
Bosley
Brightwell
Campbell (Vancouver Centre)
Chadwick
Chartrand
Collins
Corbeil
Couture
Darling
Dick
Domm
Duplessis
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)

Atkinson
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Cardiff
Champagne (Champlain)
Cole
Cooper
Côté
Crosby (Halifax West)
Desjardins
Dobbie
Dorin
Edwards
Feltham
Fretz
Gibeau
Greene

Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
Hudon
Jelinek
Jourdenais
Koury
Larrivée
Littlechild
Lopez
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Mitges
Nicholson
O'Kurley
Reid
Ricard
Robitaille
Scott (Victoria—Haliburton)
Siddon
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105

Guilbault
Halliday
Hawkes
Holtmann
James
Joncas
Kempling
Langlois
Layton
Loiselle
Marin
Mazankowski
McDermid
Merrithew
Moore
Oberle
Paproski
Reimer
Richardson
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 68, which was negatived on the following division:

(Division No. 327)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell

Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker
Thompson	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vézina
Vincent	Weiner
Wenman	White
Wilbee	Wilson (Etobicoke Centre)
Worthy—105	

PAIRED—MEMBERS

Anderson	Cadieux
Casey	Chrétien
Crosbie (St. John's West)	Gaffney
Gray (Windsor West)	Horner
Lee	MacLellan
Rideout	Winegard

The House divided on Motion No. 70, which was negatived on the following division:

(Division No. 328)

YEAS

Members

Althouse	Angus
Axworthy (Winnipeg South Centre)	Baker
Bélair	Bellemare
Blaikie	Boudria
Breaugh	Butland
Caccia	Clancy
Comuzzi	Dingwall
Duhamel	Finestone
Fulton	Gagliano
Gardiner	Harvey (Edmonton East)
Heap	Hovdebo
Hunter	Kindy
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)	Leblanc (Longueuil)
MacDonald (Dartmouth)	Manley
Marleau	Martin (Lasalle—Émard)
Mifflin	Milliken
Murphy	Nault
Pickard	Plamondon
Riis	Rocheleau
Skelly (North Island—Powell River)	Speller
Waddell	Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker

Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout
Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 72, which was negatived on the following division:

(Division No. 329)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell
Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre
Beatty
Bertrand
Bjornson
Blais
Bosley
Brightwell
Campbell (Vancouver Centre)
Chadwick
Chartrand
Collins
Corbeil
Couture
Darling
Dick
Domm
Duplessis
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Atkinson
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Cardiff
Champagne (Champlain)
Cole
Cooper
Côté
Crosby (Halifax West)
Desjardins
Dobbie
Dorin
Edwards
Feltham
Fretz
Gibeau
Greene
Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
Hudon
Jelinek
Jourdenais
Koury
Larrivée
Littlechild
Lopez
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Mitges
Nicholson
O'Kurley
Reid
Ricard
Robitaille
Scott (Victoria—Haliburton)
Siddon
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105
Guilbault
Halliday
Hawkes
Holtmann
James
Joncas
Kempling
Langlois
Layton
Loiselle
Marin
Mazankowski
McDermid
Merrithew
Moore
Oberle
Paproski
Reimer
Richardson
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout
Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 73, which was negatived on the following division:

(Division No. 330)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell
Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker
Thompson	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vézina
Vincent	Weiner
Wenman	White
Wilbee	Wilson (Etobicoke Centre)
Worthy—105	

PAIRED—MEMBERS

Anderson	Cadieux
Casey	Chrétien
Crosbie (St. John's West)	Gaffney
Gray (Windsor West)	Horner
Lee	MacLellan
Rideout	Winegard

The House divided on Motion No. 77, which was negatived on the following division:

(Division No. 331)

YEAS

Members

Althouse	Angus
Axworthy (Winnipeg South Centre)	Baker
Bélair	Bellemare
Blaikie	Boudria
Breaugh	Butland
Caccia	Clancy
Comuzzi	Dingwall
Duhamel	Finestone
Fulton	Gagliano
Gardiner	Harvey (Edmonton East)
Heap	Hovdebo
Hunter	Kindy
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)	Leblanc (Longueuil)
MacDonald (Dartmouth)	Manley
Marleau	Martin (Lasalle—Émard)
Mifflin	Milliken
Murphy	Nault
Pickard	Plamondon
Riis	Rocheleau
Skelly (North Island—Powell River)	Speller
Waddell	Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker

Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105

Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 79, which was negatived on the following division:

(Division No. 332)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell

Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre
Beatty
Bertrand
Bjornson
Blais
Bosley
Brightwell
Campbell (Vancouver Centre)
Chadwick
Chartrand
Collins
Corbeil
Couture
Darling
Dick
Domm
Duplessis
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)

Atkinson
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Cardiff
Champagne (Champlain)
Cole
Cooper
Côté
Crosby (Halifax West)
Desjardins
Dobbie
Dorin
Edwards
Feltham
Fretz
Gibeau
Greene

Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
Hudon
Jelinek
Jourdenais
Koury
Larrivée
Littlechild
Lopez
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Mitges
Nicholson
O'Kurley
Reid
Ricard
Robitaille
Scott (Victoria—Haliburton)
Siddon
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—105

Guilbault
Halliday
Hawkes
Holtmann
James
Joncas
Kempling
Langlois
Layton
Loiselle
Marin
Mazankowski
McDermid
Merrithew
Moore
Oberle
Paproski
Reimer
Richardson
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout

Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The House divided on Motion No. 81, which was negatived on the following division:

(Division No. 333)

YEAS

Members

Althouse
Axworthy (Winnipeg South Centre)
Bélair
Blaikie
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Heap
Hunter
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Skelly (North Island—Powell River)
Waddell

Angus
Baker
Bellemare
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Harvey (Edmonton East)
Hovdebo
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Speller
Whittaker—44

NAYS

Members

Andre	Atkinson
Beatty	Belsher
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Boyer
Brightwell	Browes
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cooper
Corbeil	Côté
Couture	Crosby (Halifax West)
Darling	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker
Thompson	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vézina
Vincent	Weiner
Wenman	White
Wilbee	Wilson (Etobicoke Centre)
Worthy—105	

PAIRED—MEMBERS

Anderson	Cadieux
Casey	Chrétien
Crosbie (St. John's West)	Gaffney
Gray (Windsor West)	Horner
Lee	MacLellan
Rideout	Winegard

• (2320)

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)) moved that the bill, as amended, be concurred in.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): In my opinion the yeas have it.

And more than five members having risen:

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

(*Division No. 334*)

YEAS

Members

Andre	Atkinson
Attewell	Beatty
Belsher	Bertrand
Bird	Bjornson
Blackburn (Jonquière)	Blais
Blenkarn	Bosley
Boyer	Brightwell
Browes	Campbell (Vancouver Centre)
Cardiff	Chadwick
Champagne (Champlain)	Chartrand
Cole	Collins
Cooper	Corbeil
Côté	Couture
Crosby (Halifax West)	Darling
Desjardins	Dick
Dobbie	Domm
Dorin	Duplessis
Edwards	Fee
Feltham	Ferland
Fretz	Friesen
Gibeau	Gray (Bonaventure—Îles-de- la-Madeleine)
Greene	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Hudon	James
Jelinek	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Soetens	Sparrow
Stevenson	Tardif
Thacker	Thompson

Thorkelson
Tremblay (Lotbinière)
Valcourt
Vézina
Weiner
White
Wilson (Etobicoke Centre)
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Wilbee
Worthy—106

NAYS

Members

Allmand
Angus
Baker
Bellemare
Blaikie
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Grey (Beaver River)
Heap
Hunter
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Skelly (North Island—Powell River)
Waddell
Althouse
Axworthy (Winnipeg South Centre)
Bélair
Berger
Blondin-Andrew
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Harvey (Edmonton East)
Hovdebo
Jordan
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
Mifflin
Murphy
Pickard
Riis
Simmons
Speller
Whittaker—50

PAIRED—MEMBERS

Anderson
Casey
Crosbie (St. John's West)
Gray (Windsor West)
Lee
Rideout
Cadieux
Chrétien
Gaffney
Horner
MacLellan
Winegard

The Acting Speaker (Mr. DeBlois): I declare the motion carried.

* * *

[*Translation*]

SUPPLY

ALLOTTED DAY, S.O. 81—REQUEST FOR GENERAL ELECTION

The House resumed consideration of the motion of Mr. Boudria (p. 13691).

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 45(6), the House will now proceed to the taking of the deferred division on the opposition motion relating to the business of supply.

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

(Division No. 335)

YEAS

Members

Allmand
Angus
Baker
Berger
Blaikie
Boudria
Butland
Clancy
Dingwall
Finestone
Gagliano
Grey (Beaver River)
Heap
Hunter
Kindy
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Manley
Marleau
Mifflin
Murphy
Pickard
Riis
Simmons
Speller
Whittaker—51
Althouse
Axworthy (Winnipeg South Centre)
Bélair
Bevilacqua
Blondin-Andrew
Breaugh
Caccia
Comuzzi
Duhamel
Fulton
Gardiner
Harvey (Edmonton East)
Hovdebo
Jordan
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marchi
Martin (Lasalle—Émard)
Milliken
Nault
Plamondon
Rocheleau
Skelly (North Island—Powell River)
Waddell

NAYS

Members

Andre
Attewell
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Boyer
Browes
Cardiff
Champagne (Champlain)
Cole
Cooper
Côté
Crosby (Halifax West)
Desjardins
Dobbie
Dorin
Edwards
Feltham
Fretz
Gibeau
Greene
Gustafson
Harvey (Chicoutimi)
Hicks
Hudon
Jelinek
Jourdenais
Koury
Larrivée
Littlechild
Lopez
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Moore
Oberle
Paproski
Reimer
Richardson
Saint-Julien
Atkinson
Beatty
Bertrand
Bjornson
Blais
Bosley
Brightwell
Campbell (Vancouver Centre)
Chadwick
Chartrand
Collins
Corbeil
Couture
Darling
Dick
Domm
Duplessis
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de- la-Madeleine)
Guilbault
Halliday
Hawkes
Holtmann
James
Joncas
Kempling
Langlois
Layton
Loiselle
Marin
Mazankowski
McDermid
Mitges
Nicholson
O'Kurley
Reid
Ricard
Robitaille
Scott (Victoria—Haliburton)

Scott (Hamilton—Wentworth)	Siddon
Sobeski	Soetens
Sparrow	Stevenson
Tardif	Thacker
Thompson	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vézina
Vincent	Weiner
Wenman	White
Wilbee	Wilson (Etobicoke Centre)
Worthy—105	

PAIRED—MEMBERS

Members Anderson	Cadieux
Casey	Chrétien
Crosbie (St. John's West)	Gaffney
Gray (Windsor West)	Horner
Lee	MacLellan
Rideout	Winegard

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

Before we adjourn I would like to say a word of thanks on behalf of us all to the pages who, as usual, gave us an excellent service despite the late hour.

[*English*]

It being 11.28 p.m., this House stands adjourned until tomorrow at 10 o'clock a.m. pursuant to Standing Order 24(1).

The House adjourned at 11.28 p.m.

HOUSE OF COMMONS

Tuesday, November 24, 1992

The House met at 10 a.m.

Prayers

[*English*]

SUPPLEMENTARY ESTIMATES (A) AND (B)

A message from His Excellency the Governor General of Canada transmitting Supplementary Estimates (A) and Supplementary Estimates (B) for the fiscal year ending on March 31, 1993, was presented by the President of the Treasury Board and read by the Speaker to the House.

* * *

SUPPLY

SUPPLEMENTARY ESTIMATES (A) AND (B)

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I move, pursuant to the provisions of Standing Order 81(5) and Standing Order 81(6):

That the Supplementary Estimates (A) and Supplementary Estimates (B) for the fiscal year ending March 31, 1993, laid upon the table this day be referred to the several standing committees of the House as follows:

[*Translation*]

Since the list of votes sent to the various committees is long and detailed, I would ask that the list be printed in *Hansard* at this point, without being read.

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

Some hon. members: Agreed.

[*Editor's Note: List referred to above is as follows*:]

SUPPLEMENTARY ESTIMATES (A)

To the Standing Committee on Aboriginal Affairs

Indian Affairs and Northern Development, Votes 5a, 15a and L25a.

To the Standing Committee on Agriculture

Agriculture, Votes 1a, 5a, 10a, 15a, 20a and 25a.

To the Standing Committee on Communications and Culture

Communications, Votes 1a, 5a, 10a, 70a and 80a.
Secretary of State, Votes 1a and 5a.

To the Standing Committee on Multiculturalism and Citizenship

Multiculturalism and Citizenship, Votes 1a and 5a.

To the Standing Committee on Consumer and Corporate Affairs and Government Operations

Industry, Science and Technology, Vote 91a.
Privy Council, Votes 1a sand 10a.
Public Works, Votes 15a, L16a and 35a.
Supply and Services, Votes 1a and 11a.

To the Standing Committee on Energy, Mines and Resources

Energy, Mines and Resources, Votes L15a, 30a and 35a.

To the Standing Committee on Environment

Environment, Votes 1a and 25a.

To the Standing Committee on External Affairs and International Trade

External Affairs, Votes 10a, 20a, 35a and 36a.

To the Standing Committee on Finance

Finance Vote 35a.
National Revenue, Votes 1a, 5a, 15a and 20a.

To the Standing Committee on Forestry and Fisheries

Fisheries and Oceans, Votes 10a and 15a.

To the Standing Committee on Justice and Solicitor General

Justice, Votes 1a, 5a, 40a and 45a.
Solicitor General, Vote 25a.

To the Standing Committee on Labour, Employment and Immigration

Employment and Immigration, Votes 10a, 15a and 20a.
Labour, Votes 1a, 5a and 15a.

To the Standing Committee on National Defence and Veterans Affairs

National Defence, Vote 20a.

To the Standing Committee on Health and Welfare, Social Affairs, Seniors and the Status of Women

Employment and Immigration, Vote 35a.
National Health and Welfare, Votes 1a, 5a, 10a, 15a, 20a, and 25a.

To the Standing Committee on Industry, Science and Technology, Regional and Northern Development

Indian Affairs and Northern Development, Vote 45a.
Industry, Science and Technology, Votes 1a, 5a, 55a and 60a.

To the Standing Committee on Transport

Transport, Votes 1a and 10a.

To the Standing Committee on Official Languages.

Privy Council Vote 25a.

SUPPLEMENTARY ESTIMATES (B)

To the Standing Committee on Transport

Transport, Votes 26b and 27b

Motion agreed to.

* * *

AIRLINE INDUSTRY

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, over the course of the past three years the world airline industry has fallen into a deepening financial crisis. Since 1990 the industry has lost in the order of $ 10 billion.

Major factors contributing to those losses were the drop in demand occasioned by the gulf war, and the heightened security threat to travellers, concurrent increases in the price of fuel, all compounded by the subsequent recession.

[*English*]

Like most carriers around the world, the Canadian airline industry has experienced significant losses, high debt loads, a sluggish traffic situation and vigorous price competition. Unfortunately, there are no quick or easy solutions for returning our carriers to financial health.

Both carriers have already taken painful steps to stem the losses. A greater effort to bring cost structures into line with other carriers, however, must now be mounted if Canada is to retain its competitive position in the world aviation industry.

The Canadian industry needs rationalization. Capacity is too great for current demand and prices are too low to cover costs.

[*Translation*]

The difficulties faced by our carriers have arisen against the backdrop of rapid change in the global aviation industry. The world economy is experiencing rapid change. The globalization of the world economic system has resulted in major restructuring of many of our industrial sectors.

In response to increasing competitive pressures, carriers have consolidated, for example, British Airways and British Caledonian, Delta and Western Airlines, and KLM and Northwest, both within and, in some cases, across national boundaries.

Carriers have also looked for opportunities to expand their global networks through a variety of partnership mechanisms. Examples of carrier alliances include PWA—Canadian Airlines and Lufthansa, as well as Air Canada and United Airlines.

In addition, the need for more extensive networks has encouraged the emergence of commercial practices designed to maximize a carrier's ability to capture and keep traffic.

• (1010)

Frequent flyer programs are one example with which air travellers are familiar.

[*English*]

The successful carrier of the future must have an extensive network and the means to attract a sufficient traffic base to support the enormous cost that these networks entail.

In the past 15 years a new fixed-cost element has emerged to become an essential feature of providing an extensive network of services. I refer now to the need to have computer and telecommunications technology strong enough to manipulate billions of pieces of information relating to fares, schedules, flights, seats, reservations, yield management, equipment, and staff assignment, as well as other aspects of airline operations and planning. Hence the importance of linking to a computer reservation system, the essential tool for sales and planning.

Very few carriers in the world are generating profits today. In this respect our carriers are not unique. For Canada, however, the trend toward globalization means that the financial difficulties facing our two carriers has put the Canadian industry at a crossroads.

The strategies we now pursue will dictate not only the structure of the Canadian industry but also the international position of our nation's airline industry.

[*Translation*]

Canada's transportation policy framework is set out in section 3 of the National Transportation Act of 1987. The framework is based on the principle of competition and market forces as the best means to achieve the goals of our transportation policy. This policy has been of direct benefit to travellers through reductions in price and

increased services. The government is still firmly committed to this policy.

The policy has as its foundation the need to provide a safe, economic, efficient and adequate network of viable and effective transportation services to meet the needs of travellers and shippers and to maintain the economic well-being and growth of Canada.

In addition, the policy framework is sufficiently flexible to allow Canadian carriers the benefits of investments from foreign interests. As is the case in most aviation countries of the world, however, Canada's policy requires that air carriers be controlled in fact by Canadians.

[*English*]

Some have argued that the competitive principles which underpin our policy may not be sufficiently supported by the current regulatory regime of the National Transportation Act. The peculiar structure of Canada's airline industry, combined with the difficult market conditions that the industry has experienced in the past few years, have led some observers to suggest the need for reinforcement of our regulatory framework. It may be necessary to re-examine the framework to ensure that it will promote a healthy, competitive environment for the airline industry.

Let us look at the proposal of PWA, the Council of Employees and American Airlines.

For several months now, PWA Corporation has been engaged in discussions designed to improve its balance sheet and its ability to compete in the future. On Tuesday, November 10, the chairman and CEO of PWA, Mr. Rhys Eaton, and the lead spokesperson for the Council of Employees, Mr. Sidney Fattedad, put forward a proposal for the consideration of the Canadian government.

This proposal requires that a number of conditions be satisfied before it can be completed. Let me outline the conditions in the PWA-employee council-American Airlines proposal.

Government funding requirements: The deal calls for significant amounts of government funding; a guarantee of up to $290 million is required until closing of the deal, $200 million from the federal government and $90 million from provincial governments. On closing the deal, PWA proposes to repay $100 million to the federal government. After the closing of the deal and for a period of 36 months thereafter, a continuing cushion of up to $190 million, $100 million coming from the federal government and $90 million from provincial governments, is required.

American Airlines investments. American Airlines is prepared to invest $246 million, to be taken in voting and non-voting convertible preferred shares, at the closing of the deal with PWA/Canadian Airlines if certain conditions are met, one of which concerns the Gemini system.

Before closing, the Gemini Computer Reservation Company must release PWA from its contract for hosting services such that a variety of administrative, marketing and data management processing services may be provided to PWA/Canadian Airlines through the American Airlines Sabre system.

American Airlines requires strenghthening of PWA's balance sheet. To meet this condition PWA/Canadian Airlines is seeking to raise $125 million in equity by way of public issue and PWA/Canadian employees have stated they are prepared to contribute $100 million to $150 million through salary deductions for a period of three years in exchange for equity.

The agreements call for American Airlines to appoint two members of an eight-member board of directors on PWA/Canadian Airlines. Those members would have ongoing veto rights over certain management decisions, such as appointment of the CEO; annual business, capital and financing plans; capital expenditures over a threshold amount; mergers or acquisitions of assets over a certain amount.

The agreements also call for American Airlines to provide valuable processing services for PWA/Canadian, mainly through its Sabre system, such as operations planning; pricing and yield management; food and beverage support services; international base operations; technical services and accounting.

The agreement also includes the requirement that all current foreign route authorities of PWA/Canadian be in full force and effect as of closing.

[*Translation*]

These conditions raise for the government a number of difficult issues. In assessing these issues, the government has sought to balance the following considerations: the financial woes affecting the industry as a whole; the large number of direct and indirect jobs at stake; the impressive dedication and commitment of PWA/CAIL

employees who are prepared to make a substantial investment in their company; the constraints on the finances of the Government of Canada; the need to not expose the Canadian taxpayer to an imprudent measure of financial risk; the assistance already provided to PWA through the purchase of aircraft at a cost to taxpayers of over $200 million and to Air Canada at the time of its privatization; the requirement of the deal for the federal government to provide financial assistance for an uncertain period of time, because the closing of the deal is dependent on the resolution of issues relating to Gemini, which are currently before the Ontario Court and the Competiton Tribunal; the need for a proposal that will lead to a return to financal stability in the airline industry; and the legal requirement that, at the end of the day, PWA/CAIL will continue to be controlled in fact by Canadians.

[*English*]

Our preference is to look to every reasonable alternative to preserve a competitive airline system in Canada. Given the importance of the issues at hand, the government wishes members of the House to be apprised of the complexities of the issues. All key stakeholders have to be part of the solution.

To this end, the government will provide up to $50 million in financial assistance to PWA in order to provide an opportunity to explore with all interested parties, including provinces and employees, the actions necessary to minimize taxpayers financial exposure and to support a viable Canadian competitive airline system.

• (1020)

[*Translation*]

Mr. John Manley (Ottawa South): Mr. Speaker, how much time do I have?

The Acting Speaker (Mr. DeBlois): The Minister of Transport spoke for 12 minutes and 30 seconds.

[*English*]

Mr. Manley: The minister's statement today contains many comments which we have been seeking over many months to elicit from that side of the House.

It contains, once and for all, a recognition that indeed the Canadian airline industry is in, as it has been for some time, a state of crisis. It acknowledges at last that the existing regulatory regime may not be serving the needs of Canadian Airline employees and consumers of the airline services for competition because it is leading to a lack of competition.

I am sure the minister does not need to be reminded of the statement of his predecessor, now the Minister of Finance, who said in the House of Commons on April 12, 1988: "The results of regulatory reform and the passage of the National Transportation Act have created a new environment and with it a stable, viable and very competitive airline sector in Canada".

Would that it were so. What we have in today's statement—as I say it is better late than never, but at last we have it—an acknowledgement that the structure of Canada's airline industry has led some observers to suggest the need of reinforcement of our regulatory framework and it states: "It may be necessary to suggest a recalibration of the framework to ensure that it will promote a healthy, competitive environment for the airline industry".

It is high time, but perhaps too late, that this minister has finally taken upon himself responsibility for dealing with this vital and important sector. We have gone through this now for many months. We asked him back in February what he proposed to do about what then was a looming crisis in the airline sector.

What did he say then? "It is in the best interests of consumers and the travelling public in this country to have two airline companies that are in the best possible shape. That is what we want to achieve in the months to come."

What happened in the months to come? It was on February 4 in this House when he said that. In the months to come, Canada's two national carriers lost an average of $2 million a day. Ten months of inactivity by this government have gone by. Today it is putting up $50 million of taxpayers' money. That is 25 days' losses.

Where has the minister been? What has he been thinking over all this time?

We look at the passage of time in this House and in the committee dedicated to studying these issues. In April, the Liberals on the transport committee said to that committee: "Let us study the problems in the airline industry". At that time, the contemplated transaction between American Airlines and Canadian was in the public news, saying that the discussions were under way, and many statements were being made about it.

The government sent members to that committee to shut down that inquiry, to refuse to permit the transport committee of the House of Commons to look at this crucial issue. In August when the AMR and Canadian discussions broke down and it was proposed that there be a merger between Air Canada and Canadian, again we asked for the transport committee to look at it. Again, the government refused to have the House of Commons transport committee conduct an inquiry into this crucial issue.

To his credit, the chairman of the consumer and corporate affairs committee had the nerve to hold two days of hearings on the issue before the government members on that committee refused to hear any more evidence about the crisis in this crucial sector.

In September we had the execution of an agreement to move toward a merger of Air Canada and Canadian Airlines. At that time the Leader of the Opposition asked that the government take some measures to review, with a high level panel of experts, what would be in the best interests of the Canadian taxpayer, the Canadian traveller and the Canadian Airline employees, to see what we should do and, if necessary, to give financial assistance to both airlines through tax abatement in order that there be time for that inquiry to be conducted.

The issues that the Leader of the Opposition asked to be reviewed are almost the same as those listed in the minister's statement this morning. On September 9 we were asking him to review these things to determine what should be done.

Certainly this is not a simple issue. It is not an issue that has a lot of simple solutions that anyone can put forward. There is a need for study. We are vitally concerned that taxpayers' money not be flushed down the drain in some last minute scheme to save any company that is going down the tubes anyway. That is important. But the time that has gone by that time that has been wasted on this refusal to listen, this refusal to act, this refusal to talk is what has really cost taxpayers, travellers and airline employees in this country.

[*Translation*]

Surely it is not a matter of favouring one airline over another, or of saving Canadian Airlines and thus endangering Air Canada. We believe that it is necessary for us in Canada to have two airlines that are competitive on domestic routes. That is the policy which the minister announced here in the House on February 4. There has been no policy to stabilize the aviation industry since then. The problems which have existed since February 4 existed throughout 1991.

[*English*]

Ever since the gulf war and the recession took hold, airline companies have been suffering. This is not news. The Minister of Transport surely can read the financial statements of the airlines as well as other analysts can. The failure to act for so long that gives rise to the crisis we face today has made it far worse, far more difficult to deal with, and created greater uncertainty in everyone's minds.

As to the solution that is put forward today, yes, we need to do a study; yes, we need to be careful with taxpayers' money; but to put $50 million in today without any clear indication of where the government seeks to go is to put a band-aid on a very serious problem while giving us virtually no indication of what outcome the government really hopes to achieve in this matter.

We do not know what conditions are imposed on this $50 million offer of financial assistance. We do not know whether the government has certain answers in mind for the series of questions posed by the minister which would serve as conditions precedent to giving the additional financial assistance that has been stipulated in the transaction that he outlined this morning. We do not know whether the Government of Canada believes that the transaction proposed between American Airlines and Canadian Airlines constitutes a change of control to American Airlines, remembering that the determination of that matter is appealable on public policy grounds to the federal cabinet. It is incumbent upon the government to come forward, to come out of the weeds, and say what it is it thinks of that proposed transaction. We do not know. We do not know what the government's view

is on the long-term competitive possibilities in this industry.

If we do not continue to have two national carriers competing on domestic routes, what does the government have in mind to fulfil the repeated promises of this minister and his predecessors to provide competition in the airline industry in Canada?

• (1030)

We have no notion of that and yet, as I say, these are not problems that have recently emerged. These are problems that have been clearly on the public policy table for months and months and months. It is time this government took its responsibility once and for all and either addressed itself to these problems, came out of the weeds and told Canadians what it thought should be done, or get out of the way and let somebody else take over.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, the announcement today that the Government of Canada is going to give Canadian Airlines $50 million with no strings attached, no return to regulation and no forced ending to crazy competition is clearly outrageous.

This is the 82-day solution. Canadian Airlines is losing $600,000 a day. When you work that into $50 million it takes you to Valentine's Day in 1993. That is how much time this government has decided to buy Canadian while it dithers about what kind of long-term solution is needed.

This government has had not months to find a solution; it knew two years ago when I raised it in the House that the airlines were beginning to bleed. This bleeding has continued now to the point where Canadian Airlines is in jeopardy of going under.

The government knew two years ago and failed to act. It failed to take the matter seriously and the reality has come home to roost that the government is now finding itself in a crisis situation and does not know what to do about it. This decision is no decision at all. It is buying time with taxpayers' money.

I want to ask the minister what strings are attached to this $50 million. Is this an equity investment? Is this a loan? Is this a loan guarantee? Is this a gift? What is this? Is it just opening up the tap to allow taxpayers' money to flow through the minister's hands into Canadian and on to the floor as it continues to bleed?

By itself, $50 million is not going to do anything. All it is going to do is buy somebody some time to come up with a solution. For example, does this $50 million give the government a say in the operation of Canadian Airlines between now and the end of the 82 days?

The minister spent a lot of time in his statement talking about the proposal between Canadian and American, the employees and laying the framework for the international crisis in the aviation industry. All that is well and good, but one simple paragraph on the action the government was going to take and all he told us was that Canadian Airlines has a cheque for $50 million and he did not tell us what has to be done with that or what protection there is for the taxpayer with that kind of allocation.

There is no indication in the minister's statement that irrespective of a return to re-regulation he is going to call in Air Canada and Canadian and knock their heads together and say: "Boys, look. We have to stop this crazy competition. We have too many planes leaving the same airport within five minutes of each other, going to the same destinations half full. You have to stop doing that because it is hurting your bottom line". Anybody with a grade two education can figure that one out.

But no, the government has not decided to do that and we do not have to have regulation to do that. The influence of the Minister of Transport can be used to call in the presidents of those two companies to sort it out and provide a solution in the interim that will stop the bleeding while putting in place a long-term solution which clearly, from our perspective, is a return to regulation.

Even in his overview the minister would not use the word re-regulation. He talked about reinforcement of our regulatory framework or a recalibration of the framework.

The reality is that whether it is a policy change or whether it is recalibration or reinforcement, we have to put rules in place that on the one hand protect the bottom line of the carriers so they do not continue to bleed and that on the other hand protect the consumers, the people who fly on the planes, the communities which

rely on those planes for their economic development and their ongoing operations as a community.

The other thing that this non-decision does is it continues the difficulty the employees, not just at Canadian, but at Air Canada and the regional partners of the two carriers are experiencing. I have talked to them. I have talked to pilots, to flight attendants who do not know if they are going to have jobs tomorrow. This decision extends that anguish. There will be flight attendants, pilots, maintenance staff, baggage handlers and people at head office who will go home tonight and whose spouses will ask: "What are our chances?" They will not know because this government dithered instead of making a decision and instead of accepting its responsibility to govern, which it got from the people of Canada four years ago this week.

The government bought itself more time because quite frankly, it refused to admit when it accepted the deregulation policies handed down to it by the former Liberal administration that it was wrong. It was the wrong thing to do. It refused to accept that and as a result we have 30,000 or 40,000 people directly who will be going home tonight scared silly about whether or not they have a job and whether or not they have a future.

That is unfair. This government could have and should have and still could make a decision to do more than just an 82-day solution. It could find a real solution to the problems of the industry.

What we see today is an indication of the reality of this government. It cannot make a decision. It cannot recognize that its economic policies have failed. It has shown once again that this government literally is unable to govern and to make the tough decisions it needs to make. Mind you, it is quite good in making those tough decisions when it hurts Canadians, like the free trade agreement or the goods and services tax. It is okay for it to make those kinds of tough decisions. But the really tough ones are when it has to eat crow, has to eat its own words and recognize that perhaps there was a mistake made when it entered into economic regulatory reform. That is the tough decision that it is struggling with and that is why we do not have a decision today.

This announcement says it all. Not only has this government lost the moral authority to govern, but it has lost the ability to govern. Quite frankly, it is time for the Minister of Transport and the Minister of Finance, who is really running this show, and the rest of them to get out of here before they do any more damage to the transportation industry in this country or generally to this great country that we love. It really is time to call an election and let the people decide.

[*Translation*]

Mr. Plamondon: On a point of order, Mr. Speaker. The House does not usually let us speak on ministers' statements, but I would tell the Speaker that we regret it very much since we are the only party to have a clear position on this issue. Our critic on this subject is here and he would like to be able to speak. Therefore I ask the House for unanimous consent so that he can do so.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent in the House for an independent member to speak on the statement?

Some hon. members: Agreed.

Mr. Nic Leblanc (Longueuil): Mr. Speaker, for several weeks we have been hearing about Canadian Airlines and conversations between the government and that company. That seems rather strange to us because in 1987 we allowed the privatization of Air Canada in order to have free competition in the aviation industry, especially for passenger transport in Canada.

• (1040)

By privatizing Air Canada, which was running a deficit year after year, we gave it the ability to raise cash to renew its fleet. I remember that when we privatized Air Canada, the president of Air Canada at that time said: "We need to be privatized because we need cash to renew our aircraft fleet". It seems that is not exactly what Air Canada did. Instead, this company used the cash to lower its fares in an attempt to kill Canadian Airlines. In a way, it tried to eliminate Canadian Airlines and become the only major carrier in Canada. The way Air Canada acted was rather unfair.

Today, of course, Canadian Airlines is in a difficult position and so is Air Canada. Both companies are in difficulty. I think that if business people are not serious enough to work together to make their companies profitable, that is their problem. They must agree to

operate the two companies profitably or they must merge.

I think that merger was discussed several times between Canadian Airlines and Air Canada, but they came to opposite conclusions. I think that private enterprise should be allowed to compete in a healthy way and that is what the government wants, I believe. If there is one company of this size too many in Canada, the two companies need only merge, seriously streamline their operations and make a profitable Canadian company. I think that is the only way to have a fair and just solution.

In that regard, I sincerely hope that the federal government does not meddle in private enterprise by subsidizing one company to the detriment of another. Clearly in this case if we help Canadian Airlines, we will just hurt Air Canada. We will have solved nothing because in a few months or years we will have the same problem: we will have to subsidize Air Canada. In this case we must let market forces operate and the business managers must be serious: either merge if necessary or leave the scene. It is their choice and that is free enterprise. If we want a serious aviation industry in Canada, we must let market forces work themselves out.

I sincerely hope that the companies will make another effort to talk to each other about merging or rationalizing so that Canada can have a solid and prosperous airline.

[*English*]

Mr. Nowlan: Mr. Speaker, on a point of order, I was going to ask the consent of the House to make a few remarks, too. I was wondering if the House would agree. I know the rule set out in Standing Order 33 does not say other members can speak, but it does not say they cannot speak. That is the reason I would like to have a chance to make a few remarks if there is consent of the House.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to give the floor to the hon. member?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): There is not unanimous consent.

Mr. Edwards: Mr. Speaker, I am sorry but I believed we were still in Tabling of Documents.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to revert to Tabling of Documents?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): There is not unanimous consent.

* * *

EXCISE TAX ACT

MEASURE TO AMEND

Mr. Don Blenkarn (Mississauga South) moved for leave to introduce Bill C–374, an act to amend the Excise Tax Act.

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

Mr. Blenkarn: Mr. Speaker, I would like to introduce today a bill respecting an amendment to the Excise Tax Act. The intent of the bill is to solve a problem that has existed across the country in connection with the goods and services tax.

The great complaint about this tax is that it is visible or it is demanded by retailers at every sale. The trouble is that right throughout Canada we have provincial sales taxes as well. Every time someone goes to the store to buy something, they are faced with the goods and services tax and the provincial sales tax. At no time are the goods being purchased in any way or shape at the price advertised by the merchant.

Merchants know when they are selling goods to the public that there are taxes, and merchants ought to make clear the exact calculation of the tax and advertise the total price, not just the price without the taxes because this causes nothing but misrepresentation and concern to the public.

This bill will demand that when goods are advertised at a price they be sold at that price. If the merchant wants to add tax after, he can always advertise the goods plus tax at 7 per cent. Otherwise the goods are sold at the price advertised.

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

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

Bill read the first time and printed.

* * *

NATIONAL UNITY IN DIVERSITY WEEK ACT

MEASURE TO ENACT

Mr. Bill Attewell (Markham—Whitchurch—Stouffville) moved for leave to introduce Bill C-375, an act respecting national unity in diversity week.

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

Mr. Attewell: Mr. Speaker, I would like to congratulate the Baha'i community of Canada for taking the leadership in this initiative. This national unity in diversity week would not only reinforce multiculturalism as a vital part of Canadian policy but would go a step further in educating Canadians to the fact that unity in diversity is a prerequisite for peace and harmony in our country and around the world.

• (1050)

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

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

Bill read the first time and printed.

* * *

[*Translation*]

CANADA LABOUR CODE

MEASURE TO AMEND

Mr. Guy Saint-Julien (Abitibi) moved for leave to introduce Bill C-376, an act to amend the Canada Labour Code (scabs and essential services).

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

Mr. Saint-Julien: Mr. Speaker, the purpose of this bill is to amend the Canada Labour Code to preclude Crown corporations from using scabs during a strike and also to maintain essential services. Indeed, for some time now the major central labour bodies in Quebec have been shifting toward responsible and civilized trade unionism.

This bill will encourage workers to stand up for their rights and interests as members of a society where the improved standard of living of individuals is achieved through consultation, especially in the case of exploitative governments. The same certainly cannot be said of Canadian unionism which still hinges on a strategy of confrontation and power relationship.

Let us think of the human factor and remember the victims of the tragedy in Yellowknife at the Giant mine, in 1992. I want to thank the hon. member for Jonquière for his support to this important legislation for the Canadian workers.

Mr. Plamondon: On a point of order, Mr. Speaker. While fully supporting the bill introduced by the hon. member, I believe that this very bill has already been defeated once during this session. I am wondering whether it can be tabled twice.

The Acting Speaker (Mr. DeBlois): I am sorry but I cannot allow a point of order of this nature at this time.

Mr. Saint-Julien moves that the bill be now read the first time and printed.

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

Bill read the first time and printed.

* * *

[*English*]

PETITIONS

GOODS AND SERVICES TAX

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, the petition I have the honour to present today is signed by numerous residents of the Kingston area.

These petitioners are upset and concerned that this government has introduced a tax on reading materials.

I think they, along with Your Honour and all members of this House, must be frankly disgusted that we are taxing the printed word in Canada when freedom of information is a cornerstone of our liberties, when freedom of the press is certainly a cornerstone of our

liberties, and yet the government chooses to tax books, magazines and newspapers.

These petitioners are opposed to this tax. They have signed this petition in opposition to it. They call upon Parliament to repeal the goods and services tax in so far as it applies to the sale of books, magazines and newspapers.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Before proceeding with this item, I notice that some members seem to want to have a private conversation. I would suggest that they take it outside the House.

[*English*]

CHILD POVERTY

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, I have in front of me about 50 pages of petitions containing about 10,000 signatures dealing with the issue of child poverty in response to the fact that the minister of health announced six months ago that the government was no longer committed as it was in the House three years ago to the elimination of child poverty by the year 2000. Several thousand Canadians have been working together on this, including this morning when we had a breakfast. Members of the group are in the House of Commons gallery, led by Reverend Brian Weatherdon from Ottawa. Through this petition they have once again brought to the attention of the House that Canadians want the House of the Commons, the Parliament of Canada, to address the questions of child poverty immediately and not to defer them.

On behalf of this group I present these petitions and wish that the Government of Canada would listen to what they have to say.

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, it gives me great pleasure to introduce a similar petition signed by people from all across Canada: from British Columbia, Ontario, Saskatchewan, Nova Scotia, and so on.

These people have signed the same petition on which my colleague from Winnipeg has spoken. They are calling on the government to take action in order to eliminate child poverty by the year 2000.

This petition was sponsored by Partnership Against Poverty, headed by one of the most distinguished churches in my community, St. Andrew's at the corner of Wellington and Kent Streets.

I congratulate them and add my voice to that of my colleague from Winnipeg calling upon the government to fulfil the commitment of a few years back to eliminate child poverty by the year 2000. It is only fair to fulfil the commitment this House voted on unanimously.

CONSULAR SERVICES

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I have the honour to present two petitions this morning.

The first one points out that Canadian consular services overseas are to provide services in such matters as immigration and visitor visas.

It also points out that the consular services in New Delhi are overworked, that 75 per cent of the people who use those services come from the Punjab, and that it is difficult for people coming from the Punjab to travel to New Delhi.

It asks the government to open a new Canadian consular service and immigration office in the Punjab.

IMMIGRATION

Mr. Jim Karpoff (Surrey North): Mr. Speaker, my second petition, again signed by a large number of people from the lower mainland, points out that family class and assisted relative immigrants have historically been an important part of Canadian immigration and that family class and assisted relatives always have people in Canada to assist them in finding employment, housing and learning Canadian language and customs.

It points out that the government's present proposals would make it more difficult for family class and assisted relatives to obtain immigration. It calls upon this government to undertake a policy that would give first priority for immigration to Canada to immigrants in the family and assisted relative class.

CHILD POVERTY

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, I have the honour to present petitions on behalf of about 6,000 Canadians representing the points of view of millions of Canadians and criticizing this government for not responding to the unanimous motion

passed three years ago to eliminate child poverty by the year 2000.

The Partnership against Poverty under the leadership of Reverend Brian Weatherdon has worked across this country gathering names on petitions from every province, every territory and every community across this country, pointing out the social and economic costs incurred by the enormous amount of poverty in Canada, the poverty of over 1.1 million children and growing every day, and the unfortunate nature of the comments of the minister responsible regarding the lack of any plan for dealing with child poverty by this government. He said there was no plan for dealing with the problem of poverty exclusively for children.

There were the commitments of the Prime Minister with regard to the UN Convention on the Rights of the Child and the commitments of this House to eliminate child poverty. Yet, as this petition points out, these problems are getting worse.

On behalf of millions of Canadians the petition calls upon Parliament to take necessary actions to reaffirm its commitment to seek the elimination of child poverty and to do what this government has failed to do: develop a plan for the implementation of this commitment.

[*Translation*]

Mr. Jean-Luc Joncas (Matapédia—Matane): Mr. Speaker, pursuant to Standing Order 36, I have the honour to table a petition signed by thousands of Canadians from across the country who humbly pray and call upon Parliament to continue to take whatever action necessary to reaffirm and achieve its goal of eradicating child poverty in Canada by the year 2000 and to develop an action plan for that purpose.

REQUEST FOR ELIMINATION OF VIOLENCE IN OUR SOCIETY

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I am tabling a petition from residents of Manneville, Sainte-Gertrude, Val-d'Or and Louvicourt, in Abitibi, who say that violent movies on television are dangerous and therefore unacceptable because they incite more violence.

• (1100)

They point out that all toys that incite violent games are unacceptable and production of such toys should be stopped. Freedom of the press should be restricted when reporting acts of violence as information repeatedly given on television, on all channels, as well as on radio, can act as an incentive to commit similar acts of violence.

Therefore, your petitioners humbly pray and call upon Parliament to pass appropriate legislation to eliminate violence in our society, thus affording our children better protection and our fellow citizens a better quality of life.

[*English*]

GOODS AND SERVICES TAX

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, petitioners request that the goods and services tax on books and reading materials be removed.

They point out that we have never had such a tax and that literacy is the cornerstone of a democracy such as ours. It also flies in the face of our country's competitiveness and productivity, supposed objectives of the government. They request that it be removed immediately.

I shall be introducing a private members' bill shortly to try to achieve that objective.

THE MEDIA

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I have another petition in which petitioners request the CRTC to ensure there is no inappropriate language used in the media, particularly on radio and television. They feel that it is not necessary in entertaining the general public.

They point out that it is a form of abuse and violence and that Canadians generally oppose this kind of programming. They ask that this be done as soon as possible.

VIOLENCE AGAINST WOMEN AND CHILDREN

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I have the pleasure of presenting petitions signed by thousands of men, women and children from all across Canada who recognize that the incidence of violence against women and children is unacceptable.

The petitioners call upon Parliament to accept legislation that would provide relief and support to women as

mothers to protect their children. They want legislation that will emphasize the need for abuser rehabilitation.

They also ask that a special effort be made in training police, lawyers, court workers and judges so they become knowledgeable about women and child abuse and that public attention be focused on this very important, long ignored problem.

CRIMINAL CODE

Mr. John Nunziata (York South—Weston): Mr. Speaker, my petition deals with section 745 of the Criminal Code. It is signed by approximately 1,000 people.

Under section 745 of the Criminal Code, convicted murderers are allowed to apply for a reduction in the number of years they are required to serve before becoming eligible for parole. Those convicted of first degree murder, for example, and sentenced to at least 25 years in prison, can have that 25-year period reduced to somewhere between 15 and 25 years.

The 1,000 people who have signed this petition are calling upon Parliament to rescind section 745 of the Criminal Code so that those convicted of first degree murder and sentenced to a period of incarceration of 15 to 25 years would not be eligible to reduce their parole eligibility.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I would ask that all questions be allowed to stand.

The Acting Speaker (Mr. DeBlois): Agreed?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): I wish to inform the House that because of the ministerial statement, Government Orders will be extended today by 31 minutes beginning at 1 p.m., in accordance with Standing Order 33(2)(a).

GOVERNMENT ORDERS

[*English*]

IMMIGRATION ACT

MEASURE TO AMEND

Hon. Gerald S. Merrithew (for the Minister of Employment and Immigration) moved that Bill C-86, an act to amend the Immigration Act and other acts in consequence thereof, be read the third time and passed.

Mr. Allmand: Mr. Speaker, I rise on a point of order. This is the third reading stage of the bill. It is usual for the minister or another minister to introduce the debate at third reading and give us reasons why we should support the bill. I do not see the minister here and I do not see anybody else here to move the debate.

Mr. Edwards: Mr. Speaker, on the same point of order, I appreciate my hon. friend drawing that fact to the House's attention. I am informed that the minister is on his way. There was apparently a delay that was not anticipated. I am sure he regrets the inconvenience to the House, but he will be with us momentarily.

I believe that the House may be disposed to giving the minister an opportunity to arrive as I am informed that he is fleet of foot. He has just demonstrated that, Mr. Speaker. Again I want to thank my hon. friend from NDG for raising the point.

[*Translation*]

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I had to rush to the House to address my colleagues on Bill C-86.

[*English*]

It has been five months since we introduced Bill C-86 and since then the bill has been subjected to intense, detailed and exhaustive scrutiny by members of the legislative committee, by the Senate committee in its pre-study of the bill, by hundreds of individuals and organizations representing Canadians from all walks of life, and through their briefs, representations and presentations by members on both sides of the House at report stage.

With the exception of the behaviour that we saw last night by a party in this House, I have been impressed time and time again by the constructive co-operation demonstrated by everyone involved in the passage of this

bill. Members of the legislative and Senate committees have repeatedly demonstrated a deep appreciation of what immigration means to this country and a genuine concern to ensure that the measures proposed by Bill C–86 are fair, practical and in the best interests of Canada.

I have followed with particular interest the work of the Senate committee which submitted a pre–study report that showed considerable care and deliberation. The Senate pre–study report concentrated on proposed amendments relating to refugee status determination and drew heavily upon the testimony of the first chair of the Immigration and Refugee Board, Mr. Fairweather, and Mr. Chefeke, the former Canadian representative of the United Nations High Commissioner for Refugees.

It is clear that members of the committee listened carefully to the testimony and raised in their pre–study report issues that have been in the forefront of the debate on this very important legislation. I commend them for it. I have not always agreed with what members have said about the bill, but I would like to say that I respect their views. I value the work they have done. This has clearly been an effective legislative process. Bill C–86 has been improved by that process.

• (1110)

What is remarkable is that on issues so often the subject of conflicting and polarized opinion, there has been enough common ground in most cases to work out reasonable amendments to the bill.

I had the chance to hear what the Liberal immigration critic, the hon. member for Notre–Dame–de–Grâce, had to say about the legislative committee and the government amendments. If I can quote him, the member said that there is no doubt this committee has worked better than most committees of which he has been a member and the government listened to reasonable arguments in many cases.

There is widespread agreement that Bill C–86 responds to a real need for change and that it is based on sound principles. Few would disagree that change is necessary if we are to manage immigration effectively and fairly in a changing world.

The effectiveness of our immigration and refugee system is being severely tested by mounting international and domestic pressures. This is a fact of life. Our current Immigration Act was developed 16 years ago with the experiences of the 1960s and the 1970s as sign posts for the future. In some respects, those were simpler times. It was easier to manage the immigrant selection system and abuses of our program were less pervasive.

[*Translation*]

The fact is, it is becoming increasingly difficult to meet those objectives in the world of the 90s using the tools of the 70s.

That is why we need Bill C–86. Last June I indicated my commitment and the government's commitment to remain open to constructive amendments to Bill C–86 provided that they did not compromise the principles on which it is based. Let me state those principles once again.

First, and there can be no compromise here, Bill C–86 must preserve the integrity, compassion and humanitarian values of our immigration and refugee programs. Second, our immigration program must continue to serve the best interests of Canada and all Canadians. Third, the proposals must result in better management and control of all aspects of our immigration and refugee programs.

In accordance with those principles, Bill C–86 provides for improvements in three main areas. First, we will be able to make a better selection of candidates for immigration in Canada thanks to a better monitoring and management of categories and numbers of immigrants.

Thus, immigration will continue to contribute to the development of our society and to our economic prosperity in all regions of Canada. Second, we will be able to better protect the Canadian society through more stringent enforcement and control mechanisms in order to preserve the integrity of our programs and protect Canadians against those who take advantage of our programs and break our laws. Third, we will further streamline the refugee determination system in order to improve the effectiveness of an excellent program—recognized as such throughout the world—with fair decisions rendered more quickly.

Those are the three main principles underlying Bill C–86.

[*English*]

It is clear that the majority of Canadians recognize the need for changes to the old Immigration Act and the majority agree that the focus of Bill C-86 is right. The focus is right; effective selection and management of the immigration program, better protection against criminals and terrorists and a fair, streamlined refugee determination system.

At the same time, concerns have been expressed about how specific provisions of Bill C-86 might work in practice. That is fair. I have listened to those concerns carefully. In many cases, most notably they have been with respect to the role of the senior immigration officer. Anyone who looks at how we do our work will see that those concerns are simply unfounded.

I am surprised at the lack of foundation because our experience as a country, as a people in Canada and the work of this department is surely not what sparks this unfounded concern. It has to be something else.

In most cases, as I said, there were legitimate concerns. There have been cases where the legislative concerns have been expressed and also cases where ambiguity could be cleared up. The government has responded, as recognized by the member for Notre-Dame-de-Grâce, to those concerns in a responsible and reasonable manner.

Amendments were brought forward to clarify, answer and otherwise improve Bill C-86. To name a few examples, methods have been found to continue to hold refugee hearings *in camera*. It was not there. It was a concern. It was looked at, considered, and taking the views of the many witnesses and the members of the committee, we brought about that change.

Ministerial oversight of section 46.01(c)(e) and 53.1 of the act will be maintained. It was not there. Reporting requirements for changes to the annual immigration plan have been enhanced and measures to more precisely target criminally inadmissible provisions have been adopted. These changes are a direct result of testimony presented to the legislative committee, recommendations in the Senate, a pre-study report and the comments of other interested Canadians. However, none of the amendments alters the basic goals and principles of Bill C-86. Indeed, I believe that these amendments help to achieve these goals.

[*Translation*]

The fundamental objectives of our immigration program, either social, humanitarian or economic, are very important.

As a government, we strongly believe that the majority of Canadians share those objectives. We should all be pleased that the legislative review process has identified ways to make Bill C-86 even more effective in achieving these shared goals.

[*English*]

The purpose of this bill is to ensure that Canada maintain an immigration and refugee program that is fair, balanced and effective, an immigration program that can operate in the demanding conditions of the world today, a world which many people simply want us to ignore, but we cannot with the trust that people have given us ignore that reality. That is what Bill C-86 is all about, reality.

I think that the majority of Canadians share these objectives. We should all be pleased that this process has identified ways to make Bill C-86 more effective in achieving these shared goals.

It will give the men and women who deliver Canada's immigration program the tools they need to meet these challenges.

• (1120)

It will ensure, at a time when countries all over the world are facing growing demands to cut back on immigration, that Canada can maintain its tradition as a welcoming, compassionate nation, ready and able to help those in need. It will ensure that at a time when growing numbers of people around the world are seeking to circumvent or abuse immigration programs, Canadians will be protected. That is important. It will ensure that those who wish to come to Canada and those who seek refuge in Canada can expect timely, fair and compassionate treatment.

Before I finish, there is one more point I wish to make. It has been clear since Bill C-86 was first introduced more than five months ago that certain members opposite had little criticism to offer about the substance of the bill. In fact, both opposition critics who are here today praised different parts of the bill. Last night, the NDP abandoned any pretension that it wished to attack the bill itself. Instead, it attacked the process.

The NDP tried to introduce gridlock government to Canada. Some time today I expect that attack on process to begin anew. I expect the hon. member for Trinity—Spadina or another member of his party to try and suggest that this bill is being rammed through without due regard to the parliamentary process. That was the premise of the circus last night.

That simply is not true. I am not saying that in a partisan way. I am just asking members to look at the facts. Bill C–86 was introduced more than five months ago. Since then, an all–party legislative committee has spent some 61 hours studying the bill. Most bills in this place receive between 20 and 40 hours of study, fully one–third less than Bill C–86. In fact, of the 73 bills passed by this Parliament since May 1991, I am only aware of two other bills out of 73 that have been studied longer by a committee.

During the study of Bill C–86, more than 110 witnesses from all across Canada, coast to coast to coast, appeared before the committee. Still more witnesses appeared before the Senate committee. By the time third reading is completed today, this bill will have been debated in this House for more than 20 hours. Again, this is well above the average.

When you hear people say that this bill needs more study, think about the facts: Sixty–one hours of committee study; 110 witnesses; a Senate pre–study and more than 20 hours of parliamentary debate.

The record is clear. There has been an exhaustive debate and study of Bill C–86. It is a good piece of legislation. It will ensure that immigration continues to contribute as it has for more than 125 years to the social and economic well–being of Canada and of Canadians. Canadians expect as much. I urge all members of the House, on whatever side, to join in passing this bill.

Hon. Warren Allmand (Notre–Dame–de–Grâce): Mr. Speaker, as I said on other interventions with respect to this bill, this bill represents the most extensive amendments to our immigration laws since 1976–77. It is a bill of 128 clauses, comprising 113 pages.

When the bill was tabled on June 16, which by the way was during the last week of the sittings before we adjourned for the summer, it was brought on for debate after two days. In the committee the minister said that it took him and his officials eight months to prepare this bill. We all know that he has a large number of experts and officials to help him in such matters. Yet, when he put the bill before the House, a long and complicated bill as I just mentioned, he gave the opposition two days to examine the bill before it was brought on for debate. We were expected on second reading of that bill to speak intelligently about the bill without having really an opportunity to examine it properly.

We were not the only ones. Although I have specialized in immigration to a certain extent and while my colleague from Spadina has specialized in immigration, it was still extremely difficult if not impossible to examine this bill properly in the two days before we started second reading debate. We consulted with immigration lawyers, NGOs and other groups that work full time in this area. They had no time to do it either, so we could not seek their advice.

My point is this. All this pious talk by the government from time to time on parliamentary reform and respect for Parliament and respect for democracy is really a pile of nonsense. Once it brought the bill on for second reading debate in June, as I say two days after the bill was tabled, it immediately introduced time allocation and allowed only one and a half days of debate at second reading.

I give credit to the legislative committee, chaired by the hon. member for Lethbridge, who I think did an excellent job. I see him entering the House. I congratulate him. He was fair. He took a reasonable approach in the committee and agreed to the extension of hearings beyond what was originally planned. He gave, I thought, a good hearing to those people who wanted to be heard. I also give credit to the chief government spokesman, the hon. member for St. John's East, who also took a fair and reasonable approach in the committee. It was principally because of these two members that we were able to get some improvements in committee.

There were improvements in the committee. After what we said in the opposition within the first few weeks after the bill was tabled, criticisms that we raised and then were raised by the witnesses time after time when they came before the committee, the committee finally accepted the soundness of the arguments that were being made and made some changes. For example, as pointed out by the minister, it changed the provisions

with respect to public hearings. The bill provided that hearings on refugee cases would be public. Nearly all the witnesses said that was wrong, that it would put the family of the applicant in jeopardy, that it could put him or her in jeopardy. Therefore, the government changed that. It has now gone back to the old rule, which is that hearings before the refugee board will be, by general rule, *in camera* and only in public by exception. That was one change that was made.

The committee also changed the very harsh detention procedures that were provided for in the bill. The bill provided that once a person was put in detention for an immigration question, there would only be a review every 30 days. That was a waste of government resources and harsh and unreasonable with respect to these immigrants.

I must point out that immigration detention is not for people who are charged with criminal offences. They would go into the regular court system. This is for people who have not committed criminal offences but for one reason or another are deemed to require detention because they may not appear for hearings or whatever.

• (1130)

In any case, the government agreed to an amendment on that. It also agreed to amend the provisions with respect to fingerprints. All those fingerprints will now be destroyed once the immigrant becomes a Canadian citizen.

To a certain extent the provisions on inadmissibility with respect to terrorism and criminality were changed to make them more reasonable. Changes were also made with respect to the permanent residence card.

Certain changes were made in committee and those changes improved the bill. On the whole, the committee worked well. There were only seven members of this House on the committee: four government members, two members from the Liberal Party, and one member of the New Democratic Party, and this is a House of 295 members.

There are a lot of members in this House who are concerned with immigration and refugee matters. The place where they can get involved is during the debate in this House. As I said, the government only allowed one and a half days at second reading on that debate. Yesterday, it provided for only one and a half days' debate at report stage with 86 amendments to deal with and has also curtailed the time for third reading, the debate in which we are now involved, to one day.

In this House we will only have a total of four days and those days have already been cut back. Yesterday we lost a lot of time because of the voting on the closure procedure. We lost about an hour. Today we lost more time because of the statements that were made. Although there is an attempt to make part of that up, it is not going to make up the total time.

Here we have an extremely important bill, the most extensive bill on immigration since 1976, on an issue that is causing problems all over the world, in the United Kingdom, Germany, France, the United States and Italy, with the mass movement of peoples and we are only spending a very limited amount of time discussing it.

It is not just the question of involving the members of this House in an issue they are all very concerned with. It also involves the general public. Although the press is allowed to come in and report the committee's work, very little reporting is done of those legislative committees, whereas the proceedings of this House are televised and the general public, not just the experts and the NGOs, can be informed with respect to debate. If the debate only goes on for a few days, there is not much chance to deeply penetrate public opinion on these issues.

I talked about the importance of the issues and why it was necessary that we debate these things at greater length in this House. Experts tell us that the population of the world will increase by three billion people in the next 30 years, by three billion people. That is going to impact on all countries in the world. Right now we have 20 million refugees in the world as a result of civil war, tribal conflict, totalitarian oppressive regimes, drought, hunger and so on, for many reasons.

That is going to increase and we have to give attention in our public policy formulation to these issues. It is not just a question of bringing a bill before the House and ramming it through in a few days. If we intend to develop our immigration policy wisely we need to spend some time on it. How are we going to deal with this vast increase in population in the world? What kind of rules are we going to have? How are we going to balance order with humanity? I do not think we have done that in this

debate which is being rammed through in an obscene manner.

We in the Liberal Party have always agreed with a dynamic immigration policy but we also believe controls are needed. The doors cannot be wide open. The flow into our country has to be controlled or else the country will lose the good things which attract people to it. A program of assisting people to integrate into the Canadian way of life is needed. Our party treasures the valuable role immigrants and refugees have played in this country. The greatest eras of prosperity in this country have followed the great waves of immigration, whether it was on the prairies, or in the big cities of Ontario or Quebec. We have had the greatest eras of prosperity following great waves of immigration and some of the controversy which took place with respect to some of them completely disappeared after a few years.

I recall in the 1950s when I was at McGill University that because of the Hungarian revolution against the communist regime, over 30,000 people fled Hungary and came to this country. They are all well settled today. They and their children are doing an outstanding job as Canadians. It is the same with the Czechs who came in a similar situation and the Chileans and the Ugandan Asians and so on. They have all contributed greatly to this country.

As I have said, some improvements were made in Bill C-86 in committee but many of the offensive provisions remain and because of that, the bill is still badly flawed.

Despite those amendments this bill will still make it more difficult for law-abiding, hard-working immigrants to enter Canada. It still puts barriers in the way of legitimate refugees. As a matter of fact, very little was done to deal with that issue in the committee or in the report stage yesterday.

The bill opens the door to inequity and capriciousness in the selection of immigrants and it suspends traditional legal safeguards which are customary in Canada. For example, it provides for deportations without hearings. It provides for the suspension of rights through retroactive provisions. Throughout the entire bill there is an emphasis on enforcement as opposed to fairness and humanitarian values.

Finally, Bill C-86 transfers a lot of matters which are presently in the law and are subject to the control of the House of Commons and Parliament to the minister and his officials who can now change the law by regulation and Order in Council. There has been a massive transfer of authority from Parliament to officials and the minister in this bill and that leaves the whole process open to abuse. We never know from year to year what kind of government we are going to have or what kind of minister we are going to have. We could have a very good minister who believes in fairness and who may use these provisions with wisdom, but we could also have a minister who would not.

Parliament must be in control of these things. We are the elected representatives of the people. There is a role for Orders in Council and while there is a role for regulation where things can be done by the government without consulting Parliament, I believe it has gone beyond that point in this bill.

I want to mention some of the things still in this bill that are wrong and are unacceptable. To begin with, one of the major criticisms of the bill is the new powers given to the senior immigration officer in dealing with refugees at the border. When I say at the border, I also mean at airports, points of entry and so on.

Under the present law, the law as it was before this bill, we had a two-stage hearing for the screening of refugees. The first stage was to decide on the credibility of the refugee's case and also whether the refugee was eligible to go on to the full hearing, the second stage. There was a lot of criticism about that first-stage hearing. It was felt that it wasted a lot of time, it prolonged the process unnecessarily, was costly and really was unnecessary because the overwhelming majority of cases that went to the first stage went on to the second stage in any event. While we wasted a lot of time with this first-stage hearing, it did not really screen out many individuals.

• (1140)

On the other hand, there was due process at that first stage. The refugee applicant had the right to an attorney, he was fully informed of his rights and he was protected in presenting his case at that first-stage hearing.

The government has gone along with the proposal that the first-stage hearing should be abolished and in Bill C-86 has abolished the first-stage hearing. That is good. However, it has given some of the authority that was held by the officials at the first-stage hearing to a senior immigration officer who will now have the right to turn away refugee applicants without any hearing, without any representation by attorney, without any due process.

The refugee appears at the airport or the border claiming refugee status. The senior immigration officer can look at his documents and his papers and on the basis of five criteria that are written in the law can say: "I am sorry. You cannot come in. You cannot even get to the refugee board where you and your attorney can plead your case".

In effect, the government in this bill has put a barrier between the refugee applicant and his right to a fair hearing before the board. In doing that, it has not solved any problems. As a matter of fact, it has gone against the legal and justice traditions of this country in doing that.

The minister in his speech this morning has said that he listened to the concerns about the powers of the senior immigration officer at the border and he says they are unfounded. These criticisms do not simply come from members of Parliament, such as myself and the hon. member for Trinity—Spadina and others who participated in the committee. These criticisms come from lawyers and immigration experts who have worked in the immigration field for years. They say that these issues to be decided by the senior immigration officer are not simply black and white issues which can be decided by looking at documents. There are many grey areas where the applicant should have a right to explain and to plead his case.

But no, the government has not listened on this particular matter and has stuck to the provisions of the bill. We are going to have a bill, we are going to have a law if this continues to be rammed through, where a senior immigration officer, without any right for the refugee to be heard, will be able to turn away that refugee before he ever gets to the Immigration and Refugee Board, which is the board that is supposed to determine whether or not the person is a valid refugee.

There were estimates made before the committee that 45 to 50 per cent of the applicants could be turned away by the senior immigration officer at this first step without any right to be heard by the refugee board.

That is a very offensive provision. We had amendments in committee with respect to that, to change it or to do away with it. For example, I had an amendment which was similar to the recommendation in the report from the Senate. All were rejected. My amendment was to the effect and was four square with the Senate proposal that if the senior immigration officer felt that the refugee was not eligible, then that entire matter should be referred to the Immigration and Refugee Board where it would be examined as a preliminary issue before it examined the substance of his refugee claim. That would be fair because before the board is the full right of due process with the right of representation.

The minister this morning said that he respected and thought the Senate had a great report, but in effect he has refused to agree with most of the recommendations made by the Senate committee, which was chaired by a Conservative senator and has a majority of Conservative senators on the committee. I do not know what is going to happen when the bill goes to the Senate. It will be interesting to watch that. The Senate is going to get a bill that it criticized in many respects and asked for amendments in its pre-study. However, we will see what happens.

Another major issue that was raised by witnesses and was not changed by the government is the whole question of the split decision before the board in recognizing a refugee. Under the present law, when a refugee goes before the Immigration Refugee Board there are two members of the board present. In order to win the case, to be recognized as a refugee, a claimant only needs the positive vote of one of the two members of the board.

That was done by the government a few years ago because it felt the benefit of the doubt should be given to the refugee. Somebody fleeing from a situation of oppression, who has been persecuted because of politics, religion, ethnic origin, tribe or whatever, has their liberty in danger. They flee a country, come to Canada and claim refugee status. The law said that if one of the two members of the board could be convinced, the claimant would be accepted as a refugee.

In this bill, the government has now made it mandatory in three areas where the refugee claimant will have to get the votes of both members of the board. It has not really explained why it has done that. Why is it necessary?

The government says the system worked well before the board yet it is changing the rules and requiring two votes in certain matters. We tried to change that in committee. Our amendments were turned down. We tried to change it again yesterday at report stage and it was turned down. One can only assume that the rule was put in simply to keep out more refugees.

One could understand if it was to keep out refugees who did not have a good case, but it is likely to keep out a lot of legitimate refugees. It will bring about unfairness among different individual refugees. Some will get in because they only need one vote. Some will be turned away because they need two votes.

I must say—immigration lawyers confirm this—that a lot of time will be spent before each board hearing deciding whether it is a case that requires two votes or one vote. There is a chance the backlog will be built up again with all this nonsense and this new, unfair provision.

We also attempted to amend the provisions on family members. The government says that in assessing an applicant for immigration, it will assess the entire family, including those who are not accompanying the immigrant to Canada. We feel that is not fair and it is not the traditional way. Only members of the family accompanying the parents or the principal members of the family should be assessed for admission. That amendment was turned down.

We tried to put criteria into the law which would guide the minister and the officials in the granting of visitors' visas, and it was turned down.

Members of Parliament in all parts of this House have had terrible horror cases where Canadians have tried to bring members of their families from their countries of origin as visitors to visit with them and they cannot get them in, even when these individuals have homes in their countries of origin. They have jobs, they have other members of their family, they have every intention of returning but they are systematically turned down.

We tried to change that, but the government refused. The government still has in this bill extremely wide provisions to block the admissibility of immigrants with respect to criminality and to subversion.

I want to make it clear that we in the Liberal Party are totally opposed to the admission to Canada of criminals, terrorists, subversives or people who engage in espionage. That was already in the law, but the government has put in new provisions which go too far.

For example, there is one provision that says that if people are found to be a threat to the security of Canada beyond terrorism, subversion and espionage, they can still be excluded. We asked the minister and the officials what sort of thing could be beyond terrorism, subversion and espionage. They cannot give us examples.

The criminal lawyers that appeared before the committee just could not imagine what might be a threat to the security of Canada other than those three things which are already in the law.

• (1150)

It is the same with the new provision which was directed supposedly against organized crime. We agree that people involved in organized crime should not be admitted to the country. The provision is written broadly. It states that: "If the officials have reasonable grounds to believe that a person belongs to an organization which might reasonably be involved in crime at some time—". The wording of the section keeps going on. As was pointed out in the debate yesterday, it could include somebody that worked for Exxon in the United States. That organization was convicted of an environmental offence a few years ago. Witness after witness tried to bring this to the attention of the government officials, said the clause should be narrowed, it should be made more specific, but they did not do that.

Great powers are also given to the minister and his officials in managing what are now called streams of immigration. They can retroactively change the rules with respect to certain streams that will be admitted and those that will not.

Somebody could proceed under the new rules of this bill quite considerably down the path to being accepted as a refugee and then the government could decide it was not going to accept any more refugees from that stream. It could suspend or cancel all those applications

and take people from, let us say, another class, another stream altogether.

There are other flaws in the bill. I have tried to highlight some of the more offensive sections but the bill is still seriously flawed. We look at the direction the government is moving from some of the things it has done in recent months.

Yesterday or last Friday the government announced it is moving over 200 immigration officials to Vegreville, Alberta. Vegreville is probably a very good rural Alberta town, but a town that is principally an agricultural centre. The government is going to set up a Canadian centre for immigration. This is where it is going to review immigration applications; not in Edmonton, Winnipeg or Vancouver, which are immigration centres, but in Vegreville.

The government is setting up this centre, which will review applications simply on a paper basis without any face to face interview with the immigration applicants. How inhumane can you get? Most of these immigrants cannot speak English or French. They cannot fill out the documents properly without assistance, yet they will have to fill out documents which will be sent to Vegreville. They may be accepted or turned down as immigrants without any face to face interview. Since they will be living in the big cities of Toronto, Montreal, Vancouver, Winnipeg and Edmonton, many of them will have no chance to get on the phone and ask: what happened to my application? One wonders about provisions such as this.

I have no objection to moving all kinds of government departments and parts of the government to Vegreville when it is appropriate to do so, but to move an immigration centre to a small community where there are not the community support services for immigration, probably very few if any immigration lawyers or centres for the assistance of immigrants, is inexplicable.

Even though everything is supposed to be done by paper there, I am sure as a member of Parliament and having dealt with immigration matters over the years, people will be phoning us and asking about their applications. It is stuck out in Vegreville.

In any case, this is the direction the government is moving. It is trying to deal with immigrants as faceless phantoms. Decisions will be made based on paperwork without any contact with these people who have a hard time not only speaking English and French but reading and writing in English or French. It is going to make the decisions on paperwork.

Look at the way it handled the domestic worker issue. Most of our domestic workers come from Third World countries. The government put in a provision just this spring where applicants now must have grade 12 and a six month course to be a domestic worker. No consideration is given to the fact that the person might have been a very good caretaker of children for years and years. That will not count because in many of these countries, whether it is the Caribbean or Asia, they just do not have the opportunity to take six month courses in domestic work and many of them do not have an opportunity to go to grade 12.

On March 27 the government changed the family class regulations. Now it will only accept under family class people under 19, unless they are in school or they are handicapped.

I had an amendment yesterday on appointments to the board. I got a copy of a letter the other day from a member of the board who resigned, saying that the board was rampant with racism. This person said he was obliged to resign, that the way the work of the board was being carried on in Toronto was unacceptable to him and he wrote a letter to the Privy Council resigning.

I raise these issues because this bill is giving more and more authority to government and officials. The government tells us not to worry, everything will be done well, these officials will be well trained. There are many good officials, but the government has been cutting them back as well. They do not have the time, they are over–worked and over–burdened; their tempers get short sometimes.

We see what is happening already. The government introduced a special program with respect to Yugoslavia but only a small percentage of visas have been issued under that program. In effect, the program has not worked. Worse still, the government while announcing the special program for Yugoslavia, did not announce a similar program for a country that is even worse hit, Somalia.

I raise these issues because it indicates to us that it is not a good thing to pass a bill like this, which will give even more authority to officials and to Order in Council and to regulations and to the government, when they have shown us already the sorts of things they are doing. They made the decision to switch these 200 employees to

Vegreville and set up this new immigration centre which will handle applications based on paper and not face to face interviews. They did not have to come to Parliament, they did that through just an administrative decision.

It is the same thing with the special programs for Yugoslavia and the one that does not exist for Somalia. I could go on.

The minister said this morning that this bill received more attention than any other bill that he can remember. It goes to show that he has a pretty short memory. He has only been in this House since this Conservative government came to power.

I must tell him that before this Conservative government was in power it was customary to give a much longer period of time to the examination of bills. As a matter of fact, when we in the Liberal Party were in government, if we had put an allocation of time on a bill it was considered a national shame. It was an outrage. Now this government does it systematically. Allocation of time and closure are provisions that are meant to deal with abuse by the opposition in filibustering bills.

I could understand if an opposition party decides to carry on systematic filibustering and opposition day after day after day. Then you bring in a closure motion or an allocation of time. But we do not even get a chance to make our first speech and the government rams in these time allocation rules on major, very extensive bills.

The minister's memory is extremely short. Yes, the process worked pretty well in committee on this bill, but it did not work well at all at second reading, at report stage or third reading. The time is extremely limited for the issues to be discussed and, as I pointed out, there are only seven members of this House in the committee, whereas there are 295 members in this House and many of them have something to say about immigration matters. Many of them come from constituencies with large immigration populations.

• (1200)

In conclusion let me say that Canadians want a controlled immigration policy, but they also want fairness, equity and humanity. This bill unfortunately will give us the opposite. I have to say that many provisions in this bill move in the opposite direction of fairness, the opposite direction of equity and the opposite direction of humanitarian considerations. I mentioned some of the examples.

The government says that the purpose of the bill is to allow it to better manage the immigration system. It certainly will do that but at a great cost with retroactive measures, with deportations without hearings, with the ability to switch, pick and choose streams of immigration; things that are not traditional in our system and not in the law at the present time.

Therefore, despite some improvements that were made in committee, this bill is still unacceptable and we will be voting against it at third reading today.

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, in the 20 minutes I am given I wish mainly to reflect on what Bill C–86 means in the present world we live in.

First, I wish to reply to the minister when he said sarcastically that I withdrew yesterday from criticizing the bill and criticized only the hasty process by which this very large and complicated bill has been rammed through. I do criticize the process, as my colleague from Notre–Dame–de–Grâce has, but the minister then hurried away in case he might hear an answer to his wisecrack.

What the minister said is clearly not true. The amendments that I proposed in the committee were nearly all rejected by the committee, especially the important ones. Likewise, the amendments I moved yesterday were all rejected by the Tories. The Tories in the committee and the Tories in the House stonewalled all the important amendments proposed either by the member for Notre–Dame–de–Grâce or by me.

Bill C–86 is very harmful, as has been said by a great many Canadians, including expert lawyers who have had a chance to get to understand what the bill does.

I fully agree with the member for Notre–Dame–de–Grâce in his criticisms of the bill, but since I have only half as much time allowed to me I will not repeat them in detail. However, I will simply review them in order to reflect on them because I want to ask why this bill has been driven so hastily and with so little openness to

genuine criticism by this government. Why were so few substantial amendments accepted?

Some people have suggested it is the fear of the Reform Party in order to get back the votes of wandering Tories. Some people have suggested, and I think there is more to this, that it is a fear of immigrants, and I will come back to that.

The cabinet and the bureaucrats are insistent on establishing far greater control in their own hands of the immigration process, free from public knowledge, from public criticism and free from parliamentary criticism for the large part rather than emphasizing trying to give better service to Canadian citizens, residents, immigrants and refugees.

The Conservatives have reduced the chance for due process at the border, particularly in the matter of access to legal counsel. They have made permanent residents less secure. Some of them can now be removed without an inquiry. They have given less priority to family class and they have introduced a brand new, very rare principle of law called retroactivity. They can retroactively cancel immigration applications, investors' funds and work permits, and that threatens all people. It even threatens Canadian citizens when they try to apply to bring relatives here through sponsorship.

They can be very selective about it. They made higher immigration barriers such as the powers of the senior immigration officer to turn away probably a majority of the people without their having the oral hearing that the Supreme Court guaranteed.

There would be no second look in the refugee division when facts are brought out to show that the decision of the division previously was wrong. The power of the SIO to send people back to what the government is pleased to call a safe third country has a very important international meaning.

This safe third country provision, sending them back saying they should have made a refugee application somewhere else, is most significant because most refugee producing countries have no direct passage to Canada.

The safe third country rule can shut out, therefore, the big majority of claimants who have been coming in the last 10 or 20 years. It implicitly bars people who have darker skin than most Canadians.

Canada's policy on refugees has always been a bit ambiguous. After World War II there was the UN Declaration of Human Rights; I believe it is article 13 that said a person has the right to seek protection against his own government or her own government from a foreign state. Canada largely ignored that and still selected refugees mainly if it felt they would turn out to be useful economic immigrants.

In 1973 the convention refugee claimants from Uruguay and Chile and generally parts in the south started coming to Canada mainly from countries that had been invaded by U.S. investment, U.S. CIA operations and U.S. arms.

In Canada there was an intense controversy over Sikh refugee claimants which produced the same decision, guaranteeing an oral hearing to anyone in Canada who makes a refugee claim.

This was a human rights landmark in Canada's immigration process. It was a high point. Since then this government has been sliding in the other direction, especially since the end of the 1980s when the Soviet power collapsed and the cold war had ended. Without the communist threat Canada's principles of refugee policy began to veer uncertainly because previously they had emphasized automatically bringing in people who were fleeing from a communist country.

When a boatload of dark-skinned people landed illegally in Nova Scotia and the people welcomed them with tea and sandwiches, the Prime Minister and the then minister of immigration started worrying publicly about invasion. You would think they came ashore with machine guns or bazookas or something. All they came with were dark skins. Canada's policy began to waiver then.

I want to look quickly at post World War II migration patterns. They concern some other countries more than Canada but Canada is part of the North Atlantic bloc. Especially I want to look at the migration patterns of dark-skinned people to the United States, the chief world investor in the past four decades, including in those countries in the south which are sometimes called Third World countries.

Investing first began in industrialized agriculture in those countries, replacing subsistence farming with agribusiness, cash-cropping for export to the United States and northwestern Europe.

Investments were also developed in low-wage manufacturing, drawing the women from the farms, later the men, because they could not work effectively without their women to share the work on the farms. In the factories were produced exports for United States and northwest Europe.

An example is Santo Domingo. The United States invaded that in 1965 to prop up a military industrial coup. It was followed up with U.S. investments, sheltering some of the refugees in the U.S., and migration jumped 12 times, from 4,500 between 1955 and 1959 to 58,000 between 1965 and 1969.

• (1210)

In Haiti, U.S. investment in the 1970s for industrialized agriculture and manufacturing for exports to the U.S.A. and northwest Europe also coincided with mass immigration beginning to the United States. El Salvador had heavy U.S. investments in the 1970s, mingled with the 14 rich families there that monopolized the agriculture. They forced a mass exodus of former campesinos, farm owners, from the farms to farm day labour and industrial labour.

In the 1980s there was civil war by resistance of the people against a United States armed tyranny of the landowners. That caused massive emigration from that little country; from a country of five million people, almost 600,000 moved to the United States, illegally, but they are there as cheap labour.

There are examples of the same also with Korea, the Philippines, Indonesia and Taiwan. In the 1970s in all these countries there were massive flows of American investment with military collaboration and massive migration from those countries to the United States; 81 per cent of all Korean immigrants emigrated to the United States. Almost 100 per cent of Filipinos who emigrated went to the United States. The United States received 70 per cent of the Caribbean immigration but 100 per cent from Santo Domingo, as I mentioned before.

From Central America, the United States receives 19 per cent but from El Salvador, 52 per cent.

The pattern is that cheap labour, cheap land and cheap resources are invested by the United States for their super profits. They also bring about in return massive migration because at the same time the United States' market for low wage labour in the 1970s drew them to the United States.

It is similar with Japan. It is expanding its investments into southeast Asia and the southwest Pacific. It has now drawn cheap labour from those countries in spite of its 2,000 years of racist exclusionism.

We also note that northern Europe during the 1970s invested heavily in north Africa, the Middle East and south Europe. It also brought cheap labour from those countries to northwestern Europe.

What does this mean for Canada's immigration policy? These are the countries with which Canada is a partner. Canada is part of this group of north Atlantic countries, mostly reflected in the North Atlantic Treaty, but also as a trade bloc and part of the ones that conquered and colonized the countries of the south.

For two to three decades these north Atlantic countries, including Canada, have invested and intervened politically and with armaments in the southern neighbours. The rich countries grew richer and the people of the poor countries grew poorer. While tens of billions of dollars net were taken each year by the north from the south, puppet governments with arms from the north suppressed the revolts of the people.

One instructive example is Arabia, which was partitioned after World War I and again after World War II. It was manipulated a couple of years ago into the gulf war so as to restore north Atlantic control over the oil resources there.

During the same decades, mass migration brought on cheap labour from the Caribbean, Africa, south Europe, the Middle East and the Pacific Islands to the United States and northwestern Europe. The northern economies are staggering badly, partly under the weight of the debt that the Third World cannot pay, a trade in dollars of debt that it cannot pay. The cost of policing it, providing arms and lending it the money to buy arms are all putting it further in debt. Now that our economy is staggering, we have racial conflicts breaking out against the visible minorities in many of the north Atlantic countries.

What I have attempted to suggest is an understanding of Canada's present situation in the world regarding immigration and refugees. Canada, as a north Atlantic country, is beginning to show fear of refugees. Canada talks about not being able to absorb all the refugees who might come here. That is quite true. Neither I nor

anyone else says that we should take 20 million refugees. However, Canada and the other countries of the north Atlantic community are not seriously trying to deal in any other way with the problems that drove these refugees from their homes, whether they are strictly political problems or whether they are economic problems caused by ruin of the land through agribusiness, industrialized farming systems brought in by the north.

They do not offer a solution either by admitting them to Canada and other countries of the north or by enabling them to survive where they are. The money available to the United Nations High Commission for Refugees to sustain them in their camps or to help them to return is so small that they are in desperate physical condition.

Canada also seems to be showing fear of immigration. That is why there is this big emphasis in the bill on control. The cabinet and the bureaucrats must control the immigrants, the Canadian permanent residents and even Canadian citizens.

I have a question which I want to leave with this House and those who are listening. The question is: Will we let Canada sink into a fortress mentality? We have been increasing the arms budget. Once the Soviet Union is gone, we cannot justify helicopters for chasing Soviet subs, but we are buying them anyway. For what? For another Oka or perhaps for intervening again in the Middle East?

In fear we are arming ourselves more and more and it is a question of what for. Are we going to renew the kind of wars of conquest that were symbolized by Columbus 500 years ago this year, wars of the north, that is western Europe and north America, against the south? Will we recognize that we cannot do that again and even survive ourselves? The world is being ruined by wars. The world is being ruined by a greedy approach to agriculture and a greedy approach to manufacturing which produces, regardless of who can consume, regardless of who needs to consume, regardless of who gets a chance to consume, only for a high-priced market.

Will we recognize that we are in danger of ruining the planet we live on as well as destroying the people? Will we join with the people of what we call the Third World, people largely of the southern continents, Latin America, the Caribbean, Africa, southern parts of Asia and the islands of the Pacific, as equals for the survival of all of us and listen to their needs which are vastly greater than ours because of the unequal trade relations we have enforced with our military for five centuries? Will we join with them as equal human beings for survival of the human race on the planet?

This is the question that Bill C-86 is bringing to the minds of several people. Canada does not have an independent world military system like the United States, Britain or France, or such as Germany or perhaps Japan would like to have if it changed its constitution.

We are not a big player on the world scene. That is one advantage we have because we are not committed, we are not locked into hundreds of military bases around the world. We are into a very few. We have not committed ourselves so deeply to the military domination of the world. We have a choice before us. We can work for a policy of peace and co-operation rather than domination and fear. We can begin that by re-examining our immigration policy, asking ourselves why we are afraid of refugees, why we are afraid of immigrants, why we do not provide, as our amendments ask to provide, even the right to legal counsel when a person is at the border and in danger of being turned away.

• (1220)

The government has said they can have legal counsel if it is available, but it will not do anything to make legal counsel available. The government has said: "We won't send anybody back to a country where he or she fears persecution", but it will not tell us how the person is to get from the border point to those who will decide that that person should not be sent home.

All the amendments that we put in order to have the good intentions expressed by the government put into action were met with saying: "Trust us. We wouldn't do anything unkind or unfair or unjust". Laws are not meant to put all that power solely into the hands of government, cabinet and officials. Laws are meant to be in the hands of all the elected representatives, such as all the members of Parliament. That is the main fault in this law and raises the question of what is this government afraid of.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I congratulate my colleague from Spadina for his remarks and also for the great contribution that he made throughout the work in committee, day in, day out, long days in which we worked together. I want to thank him.

In the minister's remarks, he said he thought that the pre-study report of the Senate was an excellent report. I was a bit surprised that he said that because he accepted very few of the recommendations of the Senate committee.

I am just looking at the Senate's report now. It made 14 recommendations. As far as I can see, the government only accepted two of them. It accepted the recommendation that hearings of the refugee division should be held *in camera* as a general rule. The government accepted that change. The Senate also said that the definition of terrorism should be redefined. The government did that.

Of all the other recommendations, and there are 14, that is really only two. For example, on safe third country, the Senate states that a precondition should be a treaty between Canada and the country, in which treaty it should be clear that that country adheres to the entire convention on the status of refugees, not just article 33. It also states that that country must have a refugee determination system that complies with Canadian principles of fundamental justice; in other words, it has to have a system more or less like our system where one has a hearing and so on.

The government did not accept any of those recommendations because the SIO is given all these powers. By the way, the Senate recommended that if the senior immigration officer should decide that a refugee was not eligible, the case should go to the Immigration and Refugee Board for a determination. That was a major recommendation. The government did not accept that.

The Senate said that the provision on the split on making a unanimous consideration on the board is wrong. It said that it should be reconsidered, that the split decision was unacceptable.

In any case, I want to ask the hon. member what he thought of the Senate report. Does he think that the government has really paid any attention to this report, despite the rhetoric of the minister in saying what a wonderful report it is?

Mr. Heap: Mr. Speaker, I thank the hon. member for his question, as well as for his very kind remarks.

I wish to say that I benefited greatly by his experience when we were on the committee together, he having been in Parliament twice as long as I and having had a great deal of experience that I have not had. We gave the best possible representation that I can imagine on behalf of the people who wrote to us, phoned us, telegraphed us and presented briefs as well as those who came and spoke to us.

I do consider with him that the Senate report was very encouraging. It did not propose amendments because that would not be in order at that time. It did propose recommendations. I hope to see all its recommendations reappear as amendments. The only technical point I would disagree on with the member for Notre-Dame-de-Grâce is that the government did not redefine terrorism at the Senate's request.

Instead, after its request the government withdrew its proposed definition of terrorism. I do not really know whether we are better or worse off. We have an undefined word there and what it is going to mean, who it is going to exclude I do not know.

Certainly, I did not like the definition that the government had there. It would have excluded far too many people, but we do not have a good definition yet. The government just backed away.

The other proposals that the member refers to are certainly very necessary, such as for a safe third country. The member for Notre-Dame-de-Grâce and I tried every way we could think of to get some recognition of the points that the Senate was making and got none at all.

Therefore, the minister is obviously speaking with his tongue in his cheek to put the best face on it possible when he says that the member and I were satisfied with the work of the committee. We were satisfied with the conduct of the committee. The conduct was fair and considerate but the decisions of the majority of the committee were very unfortunate.

Mr. Blaine A. Thacker (Lethbridge): Mr. Speaker, I am proud to participate in this third reading debate on Bill C-86. Before I start I understand that due to the ministerial statement this morning, there is unanimous agreement to debate this bill through the lunch hour or at least into the lunch hour.

I am wondering if the Chair would find if there is such unanimity.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to extend debate until two o'clock?

Some hon. members: Agreed.

Mr. Thacker: Mr. Speaker, first of all I want to assure you and other members as well as any Canadians who may be watching today that the committee stage to Bill C-86 worked very well.

We sat throughout the summer months when other members were presumably at the cottage or the lake and we heard some 110 witnesses, some 48 of which were groups. We reviewed 116 briefs and 186 letters.

The result of that was some 102 amendments. I agree that a number of those were technical but about 70 of those amendments really flowed from the evidence and from the skill and expertise of the members who sat on that committee.

We came together and debated each of those clauses, clause by clause, and the collective judgment of the committee was that some 122 amendments, of which 70 flowed out of the evidence, should be made.

If I were the member for Trinity—Spadina or Notre-Dame-de-Grâce or any of the government members, I would be immensely proud because it was not always that way that members of the opposition could substantially change the direction of a bill by carrying the judgment as a question of logic and common sense.

Second, as the chairperson of that committee, I want to thank the committee members because they did work hard. We heard some 61 hours of evidence versus an average of around 30. I note that the rules of the House for the most part are agreed to by all of the parties.

• (1230)

Canada's Parliament now really has about half of the legislative jurisdiction and yet we sit practically all year long. Contrast that with Britain and France and other unitary states where the Parliaments have to do all of the whole range of constitutional legislative authority. Bills like this in France and in Britain would very quickly go through a second reading stage; most parties agree to a two-hour debate in which the two or three parties present their views and then it goes off to a committee for an extended process. This committee worked very well.

I particularly want to state that the member for Notre-Dame-de-Grâce and the member for Trinity—Spadina, representing the two opposition parties, were both very fair minded in their questioning of witnesses. They brought out points that were unique and needed to be brought out and which often resulted in amendments. The government members—the member for La Prairie, the member for Red Deer, the member for Surrey—White Rock—worked very hard on this bill. We were led most ably by the parliamentary secretary, the member for St. John's East.

Committees cannot work unless you have a good parliamentary secretary with whom you can place calls to go back to the minister and fight with the minister and push the officials to get amendments through. The distinguished member for St. John's East did that on behalf of all of us and deserves plaudits which I am happy to share.

Some hon. members: Hear, hear.

Mr. Thacker: The parliamentary secretary can only operate if we have a minister who is prepared to accept the judgment of the parliamentary secretary and the officials and the Minister of Employment and Immigration did that very well. I can remember some years ago being a parliamentary secretary. If you have a minister who is a little bit nervous about the process and not confident in himself, then you cannot do very much in committee. If you have a confident minister who knows the bill and is confident with his officials, then you can get a lot done. That is what happened here.

The officials gave us very good reasons concerning many of the amendments that were put again in this House. They had been withdrawn at committee stage. The officials provided us with very good reasons why some things could not be done. It became a question of judgment and a question of what is right for the broad context of the nation as a whole.

I am confident that when the Chair reviews the record it will find that it has gone well.

With respect to the witnesses, they did a good job. We as members of Parliament know that most witnesses come in with a very narrow special interest group, really special pleaders. That is not to criticize them because we invite them in. Taxpayers pay their way in. As members of Parliament, we have to take a much broader view. We have to do what we think is right for Canada as a whole,

given the international context and what would represent the national interest.

When you think about that you realize—and we all know this from the evidence that came before us in committee—that Canada is incredibly generous in terms of immigration and particularly refugees.

I think of those refugees in certain parts of the world who go into countries and do not get any permanent residency status or landed immigrant status with the view to becoming citizens and could spend the rest of their lives with no nationality. They cannot go home to the country where they are being persecuted, not an illusion of persecution but real persecution. In this country we give them a chance to become Canadians. The vast majority have gone on to become very successful Canadians. As Canadians we can be proud that we are one of the most generous countries in the world.

Another point I would like to make, and it is really ironic, is that some bright young student should do a master's degree or even a Ph.D. by going back and tracing the history of the immigration law of this country. In the immigration law in the earlier years, every change was opposed by groups. Often when further changes were brought in years later, those same groups came back and praised the original amendments that they had originally opposed and did not want any more changes.

That is exactly what has happened on this bill. We as members of Parliament have the duty to put that into proper context and to come up with our best judgment. I believe the committee did that, representing all three political parties in this House.

What is in the amended bill? First of all it retains our historic goals of which we can be immensely proud. Family reunification constitutes approximately 64 per cent of the 250,000 immigrants this country will accept this year.

I remind Canadians that in the last recession immigration dropped down to as low as 80,000. While members might criticize Conservative members of Parliament, I believe it is unjustified in this case because it is true that some Canadians have fears of people from other parts of the world but that is not unique to Canada but to the human condition as a result of our coming from nuclear families and the tribalism that affects us all.

The fact of the matter is that it would be a lot easier for the Conservative members of Parliament, the Conservative government and the Prime Minister to cut that back because of this mythology. It is a myth that immigrants and refugees take away jobs from Canadians. It is exactly the opposite.

If the argument were true that immigrants take jobs away and leave the country poor, Canada would be very poor because with the exception of one million aboriginal peoples in this country, we are all immigrants and the country has done very well; we are number one, as the United Nations points out, of all the countries in the world.

The Conservative members of Parliament and the Prime Minister deserve a lot of credit and plaudits for standing up to the mythology and saying we are in tough times because we are making this enormous adjustment from an industrial manufacturing infrastructure to a post-industrial information microchip service industry in which banking and commerce and all of those types of things are more important. That is an enormous adjustment for the people to have to make but it has to be made.

In spite of that we have the vision and the courage to keep the immigration and refugee level up because it is important for other parts of the world and because it is important for Canada. The underlying point I would like to make and which I believe passionately is that the world will not long permit 26 million people to occupy this vast, rich, bountiful country.

If we existed anywhere else in the world except next to the United States we would have long ago been taken over. If these 26 million people lived next to China or India or the other high population areas of the world, they would have swept in and took us over. They would not have been able to stop themselves. It is only because we are next to that mighty democracy to the south of us, and even it tried in 1812 and soon realized that Canadians were not going to put up with that. Nonetheless, we would not have been as successful against other people as we were against the Americans.

Refugee protection is another important arm of this bill and refugees constitute about 20 per cent of the 250,000 people who come in on average. The third

component is economic growth. That is about 16 per cent.

Another way of looking at it is that for each 100 people who come in, only 16 are coming because of their skills. That has gone on for a number years and because we believe in family reunification, those people, that 16 per cent, are able to then sponsor their immediate families; sisters, siblings, parents and children.

They are also able to assist another group, a broader group than their families, which permits them to get into the extended family and the clan basis which is so important to other cultures around the world. Only 16 out of 100 come for their actual skills. The other 84 per cent come under family reunification and refugees.

I believe we should be proud of that but nonetheless there is a strong body of thought out there that Canada should be selecting a lot more rigorously for skills.

There has been some criticism and I do not believe it is well founded anymore because I believe we as a nation have to stop these bogus refugee claims. The reason is that they block real refugees.

• (1240)

There are some 10 million-plus genuine refugees in camps around the world today. Those are the people our constituents want to help. Instead, an enormous amount of time and an enormous amount of money are wasted in western worlds by a group of refugees who are really asylum shopping or genuine immigrants trying to get ahead of the line by posing as refugees.

That is not fair. I truly do not believe that it is right or fair that we as Canadians should be devoting so much time, money and effort. The Immigration Review Board spends a lot of its time on those types of claims. I really do not think it is a proper way for us to be spending our resources when genuine refugees are languishing by the millions and millions in camps around the world.

There is another reason the refugee process has to be changed a bit. It does protect and continue the Immigration Refugee Board. That process was opposed by many people in 1987. As I said earlier, many of those same groups are now back saying it is a good deal and do not change it any more; they love it. The fact of the matter is that it needed to be changed, it has been changed, and I think it has been changed in a way that is positive.

I would like to be a bit partisan because I am a member of Parliament and I belong to a political party that I believe deserves more credit than it is getting for many of the very tough decisions that the nation has had to take and which other nations around the world have had to take, even those led by social democratic parties and by liberal parties. The irony of course is that they are being equally criticized in their countries. Canadians need to see that and understand that in a broader context.

Last night was a bit of a fiasco, but I cannot be very critical of it. When we were in opposition we would sometimes get our knickers in a knot too. We would end up forcing the government to vote on all sorts of amendments. We would go into the late hours of the night and sometimes early into the morning.

Canadians need to know several facts about the opposition amendments. In some ways I was amazed at the lack of realism of some of the amendments. Some of the amendments they proposed would have prevented this minister and future ministers of immigration from ensuring that immigration continued to benefit Canada and would cost Canadian taxpayers hundreds of millions of dollars.

If most Canadians realized that roughly $1 billion was spent on immigration, they would be angry with us and saying to us that we needed to look at it closely. They are hurting. They feel overtaxed in spite of the good services they are getting in this country. They would want us to look at it very closely.

The NDP proposed several amendments which I believe would seriously undermine the minister's ability to protect Canada and Canadians from terrorists and criminals. In its view, even if we have reasonable grounds to believe that someone is a terrorist or is a member of a criminal organization or has committed criminal acts, that person should be allowed into Canada. That means that if we have police reports or even affidavits from witnesses we would not be able to keep that person out. I just believe, as a question of judgment, that most Canadians would want the minister to have the power and would not want such a person to be here.

My colleagues opposite seem very concerned about the transportation companies. This government has indicated its concerns as well. But we have to recognize this bill does not seek to impose higher costs on transportation companies. Rather, it seeks to ensure that the transportation companies fulfil their responsibility for the people they bring to this country being properly documented. If carriers do so they will not bear any costs. It is only if they fail to check the people they bring here for passports, visas or whatever travel documents are appropriate, that they will be required to pay a fee.

Unfortunately the threat of penalty seems to be the only way we can ensure that they meet their responsibilities, particularly the international airlines. Our domestic airlines have worked very hard and well at making the system work. It has not been true with respect to some international carriers and this bill gives the minister the power to ensure that it happens.

I think the Liberal Party proposed that eligibility decisions for refugee claimants should be made by the Immigration and Refugee Board. I am convinced these decisions are straightforward and factual decisions which can effectively be made by a senior immigration officer.

Moreover, I am convinced that the Canadian taxpayer should not be burdened with the additional cost of up to $200 million over the next five years if we were to agree to have such decisions made by the board.

I could go on and on about it, but I would like to turn to my conclusions. No other nation has an immigration policy as open and generous as Canada. Our welcome reception of immigrants and refugees has given us the reputation as a caring, compassionate nation internationally. People come from many other countries to study Canada's immigration system, the department as well as the Immigration Review Board. They come to learn how we do it.

It is an expensive system and many other countries cannot afford it. I do not think we should be sitting here in our rich splendour, saying that every other country has to come up to our standards exactly and do things exactly the way we do, as long as they are meeting the principle.

As I said earlier we admit some 250,000 immigrants a year. That is up from 80,000 during the last recession. Politically it is certainly easier to reduce.

Canadians are concerned about immigration, about costs and lengthening delays. We must manage our immigration policy. We need a new set of tools and that is what this bill will provide.

In short, I believe that over all it is good public policy. I urge members of Parliament to vote in favour of it later this day.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Mr. Speaker, to me this legislation is unacceptable because it goes against certain fundamental democratic principles. I would appreciate if the hon. member would comment on some of the points that seem to deviate from these principles. For instance, the right to appeal a decision has been eliminated or substantially restricted.

Another example of what I see as a serious infringement of the rule of law is the use of the principle of guilt by association. I wonder whether the government realizes that under a provision of this kind, Nelson Mandela, whom the Prime Minister hugged repeatedly in front of the television cameras, would have trouble emigrating to Canada.

I would also like some comments on the economic aspects because I think the legislation is not very consistent when it denies work permits to people who claim refugee status, which practically forces them to live on welfare.

In other words, the government cuts off people's income and then has to spend more on social assistance. Whether it is federal, provincial or municipal, it is still taxpayers' money.

I would also like someone to explain why the retroactivity principle has been applied to immigration, which I feel is a contradiction of the most elementary principles of justice.

I would also like the hon. member to comment on the fact that immigration officers are given arbitrary powers which are actually judicial powers in disguise, especially since the claimant in most cases is not entitled to a

lawyer or hearings are held without a lawyer being present, although that right would seem to be one of the basic principles of the law in this country.

I would appreciate the hon. member's comments on these points.

[*English*]

Mr. Thacker: Mr. Speaker, I will try to take my colleague's points in order.

With respect to lack of appeal—and I am not sure if he said lack of appeal—there are proper appeal procedures in this bill. It is true there are not as many steps as could be taken under the old bill, but under the old bill there were cases wherein the legal system was abused. It led to people staying in the country for years and years. Those people did not get status and, as he said, were sitting around. Sometimes they were even on welfare waiting for all this to occur and years passed. Some of them had families back in their home countries.

• (1250)

It is an obligation of the country to have an appeal process and there is one on the proper questions of the law, for example. It has to be an orderly and quick process. That is what this bill will provide. If my friend looks at it carefully maybe he will change his mind.

Turning to guilt by association, that was largely a question of how to word some of the clauses so that a member who belongs to an association abroad, some members of which do bad things, could be blocked. Some members belong to associations where maybe a wing of the group is terrorists and the others are decent people trying to carry on.

We struggled with the wording. The member would have been more than welcome to come to the committee. I am not criticizing him for not being there because he does attend committee meetings. On this one we were struggling for words that would do the job. We had legal advisers and lawyers from the Department of Justice. Outside people had their views. We struggled as members.

Often a certificate is required from the Solicitor General as well as the minister before certain things can be done. Then there is an appeal mechanism through the courts as well. We think we have a mix that will work.

We can always draw examples of somebody working for Exxon Corporation who technically could be blocked, but in the day-to-day administration we know that will not occur. There has to be a certain degree of trust. Even under the existing act we could find wording that would give a minister or a bureaucrat who wanted to be abusive all the powers to do that. That gets back to the general way our society works, which is pretty fair-minded. We have those judges. If somebody gets too far out of line a judge will snap their suspenders and snap them hard.

With respect to refugees on welfare while the process is going through, I am absolutely satisfied the time will be reduced as a result of the screening mechanism and all other administrative changes. It should not take more than six months. The vast majority will be settled within six months. That is not too bad.

When we look at the other provisions of the bill, they say that once a person is admitted all the rest of his or her family can come in instantly. That is a great improvement to the existing situation. We did hear evidence as to how the existing law really did cause some genuine hardships. That will not happen.

With respect to the arbitrary powers, my colleague opposite is probably referring to section 46.01. This is the power of a senior immigration officer to do an administrative review when somebody shows up at the border to see if the person should be admitted. If there is any dispute at all the vast majority of them will go through to the Immigration and Refugee Board. However, I would ask my friend to read section 46.01 carefully. It gives that SIO power. I want to read it because it is not unreasonable:

> A person who claims to be a Convention refugee is not eligible to have the claim determined by the Refugee Division—

That means he is not eligible to have the claim go on to the IRB where two members will sit and there will be legal counsel and all that. It continues:

> —if the person
>
> (a) has been recognized as a Convention refugee by a country, other than Canada, that is a country to which the person can be returned;

That does not seem to be unreasonable. It deals with somebody coming from western Europe, the asylum shoppers. If they are already in the western world, the United States or western Europe, why should we spend time and money going through that process again? They are in the western world. Meanwhile there are millions

of good refugees languishing around the world and we should be bringing them in.

It goes on:

(c) has, since last coming into Canada, been determined

(i) by the Refugee Division not to be a—refugee—

It is reasonable if the person who was here before and found not to be a refugee leaves and comes back and the SIO says: "No, no, your claim was looked at a few months ago. I am not going to let you in again". I do not see that as unreasonable. People should not be able to step out and start the whole process over again with all the legal costs to our taxpayers.

Here is another one:

(d) has been determined under this Act or the regulations, to be a Convention refugee;

If they had already been through it and found to be a convention refugee, why would they go through again? The CSIO can make that decision. These are largely decisions that will be administrative based on paper.

I should not take more time but I certainly could.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, the hon. member for Lethbridge is an eminent lawyer. Over the years I have known him to speak in favour of due process.

I cannot understand when somebody's rights are in jeopardy, as a refugee's are, why he thinks it is all right that he could be turned away by a senior immigration officer without any right of representation, any right to be heard and could be returned to a country where his life or his liberty would be in jeopardy.

I want to refer him to the Senate report. The Senate, which is chaired by a Conservative senator and which has a majority of Conservative members, said that it was opposed to that. It felt that where eligibility is concerned and the senior immigration officer would turn down a person on the basis of eligibility, that matter should be referred to the IRB, which was a unanimous report of the Senate on that point.

All the witnesses from the Canadian Bar Association, the Association of Immigration Lawyers, the Law Union of Ontario and the *Association des avocats immigrants du Québec* said that this is an area, the decision-making process before the CSIO, where there should be the right to be heard and the right of due process because serious rights were in jeopardy.

As an eminent lawyer, I do not see how the hon. member can justify otherwise.

Mr. Thacker: Mr. Speaker, my support is predicated on the actual wording of 4601 which we had a lot of evidence on. We heard the lawyers who came in, and it is quite proper for lawyers to be arguing due process as we all should as members of Parliament and former lawyers. The officials, as I remember, came back and actually were able to show us how these were easily determined administrative decisions and that if there were any doubt about any of that, it would automatically flow through to the IRB.

That is the way it should be. I am saying to my friend from Notre-Dame-de-Grâce that if that turns out not to be the case, I have absolutely no doubt lawyers will bring applications and they will find a way under law or under equity, as will the judges, to remedy it and declare that section somehow *ultra vires* of Parliament or they will find it to be a violation of the charter. They will find a way, but I do not think it is going to happen. I looked at it very carefully. I fretted about it but the officials carried my judgment when we got right into it word by word.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I welcome the opportunity to speak in this debate.

Since the early eighties when I was the Minister of Employment and Immigration I felt that the way in which this country deals with those thousands of people victimized around the world is one of our most important responsibilities.

It used to be said that a country is determined by how it treats its least fortunate. In this world of interdependence I think we are as much judged by how we treat the least fortunate around the world.

In that case, I can only say that this bill we are debating in its final reading is a tale of tragedy. First, there is the tragedy of the people we are dealing with. The numbers of refugees who appear on our screens each night on the news are only a small sample of the enormous misfortune and suffering experienced by tens of thousands of men, women and children around the world.

There is a tendency in this country to think that somehow we are threatened by these movements of people.

• (1300)

We are very privileged because if you look at what is happening today in Germany, Croatia or Afghanistan, they are host countries that are accepting hundreds of thousands of refugees. The kind of drumbeat of fear and concern that is being raised by certain sources in this country is really one of illusion.

The other tragedy that this debate recommends is what we are doing about it. The bill in front of us represents a major change in the governing philosophy this country has used since the end of the Second World War to deal with these mass movements of people who have been victimized abroad.

It has been one of the important acts of stewardship of the Parliament of Canada to ensure that Canada has an open door policy and not a closed door policy. This bill almost caps what I have seen over the past several years as a major turning away from that philosophy.

It is a major shift in the attitude toward immigrants and refugees as if somehow we have turned them into a scapegoat, something to be feared and something to be cautioned against, as opposed to saying something that is part of our responsibility as a privileged nation to provide for open and active reception.

Just think for a moment that at the end of the Second World War Canada accepted hundreds of thousands of displaced persons who had been thrown up in the turbulence and turmoil of the Second World War. There were hundreds of thousands of Canadians, many of whose sons and daughters are sitting in the House of Commons today because they got that chance.

Think for a moment what happened during the time of the major revolt in Czechoslovakia and in Hungary in the mid-1950s when again Canada opened its doors to tens of thousands of Hungarians, Czechs and Poles who were escaping communist tyranny. We are not talking about small hundreds, we are talking about tens of thousands.

Think of what happened when Idi Amin took over Uganda and expelled the East Indians who had been part of that country for generations. Again, this country was a leader in accepting tens of thousands of people who had been ethnically cleansed from Uganda at the time.

Think of the record that was jointly shared by both the previous Clark government and the Trudeau government, accepting over 200,000 refugees from Indo-China. There were 200,000 in contrast with what happened in this House of Commons when 26 refugees arrived on the shore of Nova Scotia.

We were called back into emergency session of Parliament because it was portrayed by the then minister of immigration as being a national emergency that somehow Canada was going to be invaded by this great hoard. If that was not a clear signal of the changes that we are now beginning to see the final fruits of in this bill, I do not know what was.

It was a clear sense that all of a sudden the government had broken with that continuity of policy. It had begun to take a totally different attitude. It had begun to go back to the days that Irving Abella wrote about in the 1930s in her book *None is too Many* when the philosophy of the Canadian government was how many to keep out and not how many to bring in.

It was an exclusionary policy based upon sheer discrimination. Sadly, Bill C-86 only brings to a final stage that kind of Draconian, discriminatory closed door attitude that has since become the new hallmark of Canadian immigration refugee policy. It is so ironic and sad in a way to hear the Minister of Employment and Immigration and other members on the other side of the House talk with some pride about the honours that have been given to Canada for our work dealing with refugees, taking a lead.

It is as if somehow this justified what they are doing now without recognizing that the bill that we are now debating contradicts and rejects the very fundamental premises upon which Canada acquired that sense of reputation and distinction. It is turning its back on those previous positions and policies and philosophies that were taken by both Liberal and Conservative governments over the past 45 years.

When the record of this government is written, which will be done in the next six or seven weeks, when the historians finally get a chance to sift through the sand and find out what it did, this will be one of the blackest marks on the record of this government. It is basically saying that rather than responding in an open, generous and progressive way to the incredible problems of dis-

placed persons and refugees, of victims of tyranny and economic deprivation, it is withdrawing inside the fortress.

I admit we are not alone. There is no question that is the dominant response by the various neo-conservative governments in the western world, and we are seeing it. Look what happened in Britain a week ago. It refused to take people who had been kicked out of their country in Bosnia. Is our record any better?

I recall with great force the announcements of the minister last summer about accepting 25,000 families from the horrible situation in former Yugoslavia; great fanfare, great announcement, great public photo opportunities, but if you look at the record today, about 150 to 200 families have been accepted. It is disgraceful, absolutely disgraceful.

We see what is happening in Somalia with the incredible human suffering and when representation and pressure were made to see if Canada could bring out particularly orphaned children and others, the response of the Minister of Employment and Immigration was to the effect that they really would not fit into Canada.

Never mind the big cases that hit the newspapers, look what has happened. You can go to any office of any constituency of any member of Parliament in this country and they can tell you what is going on in the Department of Employment and Immigration in terms of exercising some judgment based upon compassion or humanitarianism, looking at it case by case to see if there is some kind of judgment call that could be made as the responsibility of the minister.

I recall when I was in that post, Friday nights when I left Ottawa to go back to Winnipeg with two briefcases full of cases to look at, it was the most awesome and heavy responsibility I have ever had in my life because I was making literally judgments about life and death for so many people.

The reason the minister was given discretion in the Immigration Act of 1977 was that some human judgment based upon a sense of fairness or equity or compassion could be exercised. That has ceased to exist. There is no judgment being made, it has been turned into an assembly line. The assembly line is reject, reject, reject. There is no compassion being exercised, there is no sense of justice being used.

The standard formula now is "no point going to the minister's office, it does not care. We know that we will simply get the black dot, the rejection slip".

Look what it is doing. The latest announcement is it is going to set up new immigration processing centres in Vegreville. Vegreville is a great place to have it but are we turning our immigration refugee procedure into an assembly line in which you run the paper through as if it were some kind of mass-produced washing machine? We are talking about human beings here, we are talking about people's lives—people who need the kind of interface with an immigration officer; talking to families, listening to their cases, having officials know there is a philosophy to judge as to whether that case deserves some sort of fair treatment.

• (1310)

Now we are turning it into a paragon of efficiency. Even at that, the government is downsizing the department by 25 per cent. Increasingly there will be less and less human contact and the long lines of refugees sitting in the camps in eastern Europe, Africa, Asia and Latin America will never see anybody again. The long lines of people trying to reunite with their families from the Philippines or India will never get to have their applications even considered by the human eye.

Then we get Bill C-86 on which my colleague from Notre-Dame-de-Grâce waged a wonderful rearguard action trying to hold back this juggernaut that is moving against us. The government attempts to justify it as a way of getting better control. It is fooling people but it is not telling the truth.

The so-called third safe country principle? If someone has come from a country that Canada considers a proper country of good *bona fide* credentials then they automatically get rejected at the border under this legislation.

How do we explain that for long periods of time the United States of America under the Reagan and Bush administrations rejected close to 85 per cent or 90 per cent of all refugee applicants from Central America, especially during the turmoils in Nicaragua, El Salvador and now in Guatemala. For ideological reasons the Government of the United States would not accept that someone fleeing terrorism or the death squad in Central America was a *bona fide* refugee because the government of America was supporting those regimes.

Under this legislation we have to send them back to the United States, which means they go back into the cauldron. They go back where their lives and their families are threatened and endangered.

How can we say that is a criteria that must be honoured not as an exception but as the standard rule with no right of appeal? Look at the story that came out last week. It was I think again a sign of the times. Dr. Sam Ifejika, a member of the refugee board, resigned because he said: "I have been asked to explain my positive decisions a number of times but I have never been asked to explain my negative decisions. The direction of the refugee board is against the letter and spirit of the United Nations convention on refugees and Ottawa's proposed new immigration law would foster this inhuman policy".

This is their own appointment. This is a member of their own board who resigned because he said in effect the whole weight of government policy is: How do you close the door and keep people out?

It really surprises me because this has not been the tradition of the Conservative Party. I recall very well when I became the successor to the minister of immigration, Mr. Atkey, when he said one of the responsibilities of a minister of immigration is to make sure not to open up the Pandora's box of fear and intimidation about refugees and immigration. Yet that has been the underlying philosophy with this government since the day it came in.

It has broken that continuity and it has turned its back on traditions that have been established successively through the St. Laurent, Pearson, Diefenbaker, Trudeau and Clark governments and I am not sure why. I guess we could all speculate as to what would be the reasons for this shift, this major transformation.

I can tell hon. members and I think all my colleagues who are in the House with me would agree that it will not last very long. When there is an election and the people of this country change the government, what is now Bill C-86 will be the law for only a short period of time. This is not the way we would deal with immigrants and refugees around the world. We cannot accept that Canada should so clearly turn its face against its responsibilities. Let us not quibble about that. All those bureaucrats and people who are getting the engine running and putting the pieces together had better make it temporary because it is not going to last that long. There will be a change back to the far more humane and responsible Liberal notion of what to do.

This government may have some short-term satisfaction that it has shown the Reform Party it can be tougher on immigrants than the Reform Party can be, but it is a false victory that will not last any longer than this government will last.

While I have the opportunity, let me just say that another part of the picture is missing. The amendments proposed by my colleague were very important. He said that one of the things which has to be done about the whole area of immigration and refugee policy is to make it more democratic and more accountable. Appointments to the board should be approved by Parliament. Regulations tabled must be put in a way that they can be not only examined but also rejected by parliamentary vote. There must be a far more open system of examination so that it is transparent and visible.

We have also put forward that if there is going to be a proper refugee immigration policy there must also be deep concern for what happens after people arrive here. What are the present figures? I think over half of those who come into this country do not receive proper education in French or English. It is no wonder they become a problem when they are not even given one of the basic tools to survive, which is one of the languages of the land. The Government of Canada continues to shrink the second language programs in this country.

I will not have time to fully get into this and it may be a debate for another time, but there must also be an international response. We cannot pretend that we can solve these problems simply by ourselves. If Canada surely wanted to show leadership in this world, this is an area that we could take on as our own to try to bring the countries of a developed, industrial world, which have wealth and advantage and privilege, to ask: How do we deal with the vast amounts of human suffering? How do we make sure people will not be freezing in the cold of Bosnia this winter, or dying of starvation in Somalia, or being left to neglect in Afghanistan for tens of years, or

being left hanging around the camps in the Middle East as they have been for the last 40 or 50 years?

Surely this area has been neglected by all the countries, but because of our tradition and reputation we can provide an important contribution to the world by drawing attention at the G–7 and at the United Nations population conferences for a brand new definition of what is a refugee and how the world comes to grips with an enormous and gargantuan, but singularly human, problem.

I say that we cannot take on that kind of leadership ourselves until we undo this kind of legislation which sets Canada back 75 years.

[*Translation*]

Mr. Fernand Jourdenais (La Prairie): Mr. Speaker, I have been carefully listening to my colleague opposite make the same statements I have been hearing for the last eight years to the effect that the Conservative government has done nothing good during that period.

I heard him say a moment ago that since we have been in power, in the sole area of immigration all they have heard is no, no, no. I would like to ask him if he remembers—since he was a member of the government before 1984—what were the immigration quotas set by his government compared to the ones our government set in 1992, just to see if he is right in claiming that all we can say is no, no, no and no.

• (1320)

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I said that this Conservative government turned down refugees, not immigrants. There is a difference.

Under the Trudeau government, we adopted a new approach toward refugees. We enlarged the meaning of the term refugee. We established several special programs for refugees from Central America, for example, and from Africa and Cambodia too. We also set up a meeting of several host countries in order to develop a common program.

Our principle regarding refugees was to view each case on its own merits, be it on compassionate, fair or other humanitarian grounds. We cannot fail to notice that it is no longer the case these days with a minister who turns down just about every appeal. That is what I told the hon. member and he knows the situation well.

At the same time, we are in the midst of a recession. We therefore approached unions, management and NGOs in order to establish acceptable immigration levels. A decision should be arrived at in consultation with all these stakeholders.

Mr. Jourdenais: Mr. Speaker, my colleague just mentioned that it is indeed refugees that our minister is turning down. Is it really humane to let these people wait for six or seven years before telling them if they qualify as refugees? That was the case when I came along in 1984. There were six or seven appeals. People had to wait for six or seven years without knowing whether or not they qualified as refugees and if they were going to be accepted or rejected. At the very last minute, after six or seven years, they were told: "Sorry you are not a refugee, the system does not allow it. You are not included, you are not in the right category". In 1987 we changed the system in order to make the waiting period much shorter and with the new scheme, it will only be six months to a year maximum. Does he not think that what we are offering now is by far superior to what the Liberals had in 1984 and before that?

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I remember the time when the hon. member chaired the House sub–committee on immigration. He made several recommendations which were rejected by the government. I quite agree with him, we need an efficient process but at the same time it is extremely important for that process to be fair and equitable. Members made some substantial recommendations but, unfortunately, their own government rejected them.

We would have had a much better system if it had accepted the recommendations made by these members and by the committee. Unfortunately, because of this government's negative philosophy, it will not be possible.

Mr. Fernand Jourdenais (La Prairie): Mr. Speaker, I would point out to you that my colleague from Red Deer and I would like to share the allotted time. I will use about 10 minutes and he will take the rest.

I would like to outline how Bill C–86 will lead to improvements in the management of immigration. Bill C–86 is above all about management. Management requires research, analysis and a systematic step–by–step

approach. However, management in the 1990s requires much more than that.

Legislators today must have the courage to experiment and adapt creatively to the environment. As Gordon Fairweather, the retiring chairman of the Immigration and Refugee Board, said: "The international migration of people is one of the great social issues of this decade".

[*English*]

While immigration may not be at the front of everyone's mind, it is certainly at the back. Polls show that more than half of Canadians believe the country needs immigrants and that we are not accepting too many. Of Canadians, 72 per cent agree that immigrants contribute to Canada's economy and almost 70 per cent believe they add to Canadian culture.

[*Translation*]

This is not a time for a tougher, closed-door approach to immigration. We are a welcoming people, but please do not take us for granted.

Canadians want good management and they want us to make it easier for families already here to reunite. They want us to block people trying to sneak in illegally and they want us to give preference to immigrants with marketable skills. They want these skilled people settled in areas where those skills are most needed.

Good management is based on values. Although we need skilled immigrants, we have tried not to sacrifice humanitarian values to economic expedience.

The amendments in Bill C-86 will ensure that Canada remains what it is, a very welcoming country. The three pillars of our immigration policy adopted in 1976 have not been touched. Family reunification, protection to refugees and migration for economic growth are still there.

[*English*]

The new bill proposes to eliminate the first level of the refugee determination system by having a fully trained senior immigration officer at the port of entry make key decisions. In certain instances the senior immigration officer will be able, on the basis of facts, to exclude the person from the refugee determination process. I say on the basis of facts because the officer is not called upon to exercise judgment or make a subjective assessment. Overpowering your staff is not good management. What the senior officer must do is direct every refugee claimant to the refugee determination process. That is the rule, except in five instances where objective facts show that the person should not access the system.

[*Translation*]

For example, if the Minister of Employment and Immigration and the Solicitor General issue a certificate saying a person is not admissible because he or she is a criminal, then the senior immigration officer has no judgement to make. All he or she says is: "I'm sorry, you cannot access the determination process, you're excluded".

Another way to manage the flow of refugees is to keep accurate records of every newcomer. Many refugees have no identification while others have ID they admit is fraudulent.

[*English*]

With claimants like these, their fingerprints and faces are their only identification. The only way to record their entry into Canada is to fingerprint and photograph them. That is what we mean by adapting creatively to the environment. This is what Canada is. Canada's Auditor General recommended that measure to prevent multiple claims and abuse of provincial and municipal welfare programs.

• (1330)

[*Translation*]

If someone comes here as an immigrant, we must investigate him. If they just show up with no identification, we have no idea who they are and we are entitled to find out.

When a refugee becomes a Canadian citizen, there is no need to keep his fingerprints. The major amendments to the act are as follows:

First, our officials will be better able to manage our intake of immigrants according to the goals agreed to by provincial governments, the private sector and non-governmental groups across the country.

Second, better control of abuse by detecting people who try to skirt the rules, by preventing terrorists or criminals from entering the country and by removing those who have no right to remain here.

Third, better management of the refugee claimant system by making it more cost-effective, fair and humane.

[*English*]

Fourth, we will better manage the needs of provinces and regions by selecting skilled immigrants and bringing them here quickly.

Fifth, we will better administer the program by improving the quality of service, lessening paperwork, speeding up decision making and cutting costs.

We need effective tools for managing the numbers and selecting people who best meet Canada's needs. The current act is deficient in this regard.

That is why Bill C-86 proposes selecting more skilled immigrants, business people and investors to contribute to regional development and help seed our future prosperity.

[*Translation*]

What we need is a better balance. This is the reasoning behind the proposed streaming of immigrants. These amendments will better enable us to select people who contribute to the labour market. Good management must show measurable benefits.

This shift toward economic migration will not be dramatic. To ensure that the numbers and types of immigrants we let in reflect the plan, the make-up of each stream will also be determined in consultation with the provinces and other interested groups.

[*English*]

Here are some proposed streams. Stream one people will be processed on demand, with no limit to how many are landed each year. Family identification is still central to our policy. However, we have enlarged the family class definition so we have to make distinctions. Families—the father, mother and children, including adopted children—will get priority. The children are not subject to any quota or level. Hence someone already living in Canada can sponsor a spouse, fiance and dependent children including adopted children. Stream one also includes convention refugees who need protection and immigrant investors.

Applicants in stream two are also on a first come, first served basis but they are subject to limits set out in the plan. People in stream two could include parents and grandparents of people already here and refugees who are government assisted or privately sponsored. It also includes those let in under special programs.

Stream three people are skilled immigrants and entrepreneurs who meet our economic needs. Once our targets are met no others would be accepted so no backlog would occur.

In addition to these three main streams, investors and skilled immigrants will be selected for different regions across Canada according to their needs.

The amendments propose that we select skilled immigrants who are willing to go to areas where those skills are needed. That is, we will impose a condition on their visa that they work in such areas.

Today we impose the same conditions on temporary workers, except temporary workers have no landing rights whatsoever. Now we plan to tell skilled immigrants not only that we will impose a condition on their visa, but we will land them and allow them to become citizens.

[*Translation*]

If I had to characterize this bill in a few words, I would use the words common sense, for that is what this package is all about. Our legislative framework needs updating for the times. We must start doing things that make sense, that will help us meet the challenges we face today.

Bill C-86 makes sense because it lets people do their jobs. It makes sense because it means faster processing, according to clearly understood rules, applied consistently.

Personally, I believe that immigration has made a great contribution to Canada and the world. This legislation will ensure that it remains an asset throughout the 1990s and into the future.

[*English*]

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, I thank the hon. member for his very concise survey of the advantages he sees in the bill.

I would like to ask him at least one question concerning a matter that I am sure he heard raised by quite a few witnesses about what happens, as it does happen, when

the refugee division of the Immigration and Refugee Board makes a mistake, misunderstands the evidence.

There are cases on record to show where they misunderstand the evidence and declare a person not to be a refugee in spite of evidence which indicates the other or the case where evidence comes in later. Perhaps the refugee has not yet left the country but evidence arrives that just was not available at the time he or she was here. Or, there is the case where the country's circumstances have changed for the worst so that if the board decided while it was looking at the case that it was safe to return there could be changes both ways.

Sometimes when a refugee leaves the country it is very unsafe because of the government in power which has threatened to persecute him or has persecuted him. Then there is a change. This happened in Eritrea. Then the Canadian government can pass the information on to the board saying that the government has changed and it is now safe to send people home. However, in Eritrea it was found that the new government was just as hostile to some of the political groups as the old government had been.

How do we get that taken into account? We were told by the government all that would be looked after under humanitarian and compassionate consideration. That is not satisfactory to many people who have been directly concerned with refugees because humanitarian, compassionate consideration is supposed to be for reasons other than refugee status.

I do not know how many times the present minister has risen in this House in response to a question from the opposition asking whether he would use his humanitarian, compassionate powers on behalf of a certain rejected refugee claimant. What he says is: "We have a good refugee system. He has been found not to be a refugee and I am not going to interfere". In other words, his humanitarian, compassionate grounds have nothing to do with refugee status. To say that there cannot be an appeal—

The Acting Speaker (Mr. DeBlois): Order, please. Time is running out. If the hon. member wants an answer, it is time to end his comments.

[*Translation*]

Mr. Jourdenais: Mr. Speaker, the member opposite has just made another great speech on immigration, as usual. His question is three or four fold, but I will try to be as concise as possible.

His question is: what happens when the refugee division of the Immigration and Refugee Board makes a mistake? When making a decision on the basis of the five criteria, the senior immigration officer will have to take into account any change that may have occurred in the country of origin of the refugee claimant.

What the board does presently is to examine each case, determine whether the individual is a refugee or not and, at the request of the minister, review claims that were turned down. We have seen decisions overturned and claimants be granted refugee status following a review.

What if the people left the country after the decision was made? The officer's decision to turn down a claim is based solely on facts, on criteria. It will have the same effect.

I agree with the member opposite because we have been working on the same committee for eight years and I understand his position. There have been instances where there were problems, but—what can I say—nobody is perfect. This is the second time in eight years that we change this legislation.

• (1340)

I chaired the committee in 1987, as some members pointed out, and I worked very hard to have the legislation changed. I had suggested several changes at the time, eight of which were actually incorporated in the legislation, and I will keep on working to have yet more deficiencies corrected in the future.

[*English*]

Mr. Doug Fee (Red Deer): I appreciate my colleague's sharing his time with me because there are a number of members who want to speak on this bill. I want to commend all members of this House for their interest and participation in this debate.

This is extremely important legislation and we all agree, all of us who sat on the legislative committee and all members of this House, that this country has been

enriched by immigration. If we look around our House, with very few exceptions we are all either immigrants or descended from immigrants.

The purpose of this bill is to enable the government to better manage immigration. The idea is to make it easier for legitimate refugees to qualify, to make it faster and more efficient for immigrants to be approved and to also screen out those who abuse our hospitality.

Prior to 1989 the refugee determination system was not as efficient as we would perhaps have liked it to be. That, combined with the increasing number of people who were seeking protection from persecution in their own homelands, resulted in the inevitable long delays. The system, as we know, became bogged down. Rather than give up in despair, the government established the Immigration and Refugee Board and now our refugee status determination system is finally under control. We need to ensure that our refugee program stays that way.

We want to ensure that every legitimate refugee receives a fair hearing. However, there will always be a few who will try to take advantage of our good will. My constituents told me in a survey this summer in no uncertain terms that they do not want an open door for criminals, they do not want those coming in who would abuse their hospitality.

This nation and all Canadians are generous to those in distress, but we do not appreciate being taken advantage of. Our current system for determining refugee status is a considerable improvement over the previous one but it still needs to be more efficient. The vast majority of cases are now processed within six to twelve months but every one of us from our experience in our offices knows of examples that have taken longer than that.

The government's very reasonable goal is to process all claims within six months. Not only do these delays impose additional hardships on people who are accepted as refugees, but they encourage some who will not qualify as refugees to use the process just to stay in Canada. The problem is not with the refugees who are sponsored by the federal government or sponsored by private organizations such as church groups. In these cases the determination and selection process happens abroad and the reception and settlement process for these individuals is planned. The problem can be with people who show up on our doorstep, usually at an airport, and ask for refugee status.

Last year there were approximately 30,000 people claiming refugee status this way; 30,000 potential refugees is not an insignificant number. There are provisions in Bill C-86 to deal with this situation. One provision is to work with the airlines that would bring the would-be refugees to Canada. Air carriers must be held responsible for passengers who have inadequate or improper documentation. In the past four years that number has been about 23,000, or nearly one-quarter of the persons who presented themselves at Canadian airports.

Another consideration is that there are clearly situations in which the person does not need the protection of Canada. These people should be denied access to the determination system. Processing a refugee claim can run anywhere up to $50,000 and Canadian taxpayers should not have to foot the bill for individuals who are simply trying to take advantage of our good nature.

Another consideration is that we are working with a number of national governments to try to stem the practice of people claiming refugee status in several countries, refugee shopping if you will. There is an agreement among some European countries that the first country the claimant enters takes responsibility for processing the claim. It sounds like a good system.

Misunderstanding has arisen on the proposal to give senior immigration officers, or SIOs, increased responsibility in determining whether a person deserves access to our determination system. This is not to be a judgment call on the part of the immigration officer. The criteria for making these decisions are clearly spelled out. The senior immigration officer will receive special training to make these decisions. The SIO will simply look at the five exceptions that would deny access to the individual. If none of these exceptions applies the person would automatically have access to the Immigration and Refugee Board.

The intent of Bill C-86 is to streamline the system. We want decisions to be made faster. Everyone wants them to be completely fair.

Experience has taught us that the current two-stage procedure with a preliminary hearing and a more detailed assessment is not the best way to handle this process. The reason is that over 95 per cent of claimants move on to the second stage. Let us eliminate the first stage which we know is costly but not always effective.

We can cut three to six months off the length of time it takes to make a final determination. We can save Canadians tax dollars and work permits can be issued as soon as a claimant has been accepted.

A moment ago I mentioned the problem of claimants arriving without documentation. We also get claimants from democratic countries such as the United States. Confusing as it may seem, some claimants while their claim is pending return to the country where they say they are being persecuted. In these specific cases, we are proposing that both members of the Immigration and Refugee Board who are hearing a claim would have to agree on the person's right to refugee status, not just one member as is the case now.

I hasten to add that in other cases as long as one of the two board members accepts the person's claim, that will be sufficient for refugee status.

I am sure that hon. members will agree that once a person has been accepted as a refugee, we should help that person become a productive member of Canadian society as quickly as possible. Right now there are delays for as long as two years before some people are landed.

Bill C–86 will help us speed up the process of granting permanent residence. These people will be able to include family members in their applications. I know hon. members will agree that people are much happier and more productive when they are together as a family.

I know that hon. members agree that we must protect those who genuinely need our protection. On the other hand, Canadians' tolerance and compassion are stretched to the limit when individuals who do not qualify for refugee status remain here, taking advantage of our generous system.

Bill C–86 will correct this anomaly. The backlog before the Federal Court is so enormous that it could take several years before a decision is reached on a claimant's appeal to stay in Canada. Bill C–86 does not take away anyone's right to appeal but we can speed up the process by having the review conducted by one judge rather than three and having it reviewed in the trial division of the Federal Court. We have limited resources and they should be used to help people who are genuine refugees and in need of our help.

We have all heard the horror stories of criminals who get into Canada claiming to be refugees. This is not a situation that Canadians tolerate. Crime is on the rise in our society and we certainly do not need to import any more of it. Individuals convicted of crimes can already be refused admission into Canada, but what about persons whom we know have been involved in criminal activity but who have not been convicted? Bill C–86 will help us keep these undesirable people out of Canada.

Immigration and refugee determination has always been and will always be a contentious issue and I along with any member of this government will welcome any constructive suggestion on how to deal with this sensitive issue. Let us all remember that Canada has the most generous and open refugee system in the world. We should be compassionate toward people who deserve compassion, but we should act decisively with those who abuse our generosity.

Our immigration and refugee system must continue to earn the respect and confidence of Canadians. It has been and will continue to be an important program for contributing to national unity and prosperity and the measures that we are proposing in Bill C–86 will help to curtail abuse of the system and defend its integrity. I would urge all hon. members to support this extremely important legislation.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I feel privileged to have the opportunity to speak on Bill C–86, an act to amend the Immigration Act and other acts in consequence thereof. Before I get into some of the specific concerns I have about the bill, I would like to say that when you are a member in an urban riding, as I am from downtown Toronto, Canadians should understand that about 75 per cent of the work that we do in our offices is related to immigration. There is not a day that passes without us opening another eight or ten new files on immigration.

• (1350)

This was actually one of the things that shocked me when I was first elected in 1988 because I had always believed that with any immigration difficulties we had a rather large department of immigration coast to coast with the required number of man-years that could basically look after any of these complex problems, whether they are refugees, people claiming refugee

status in Canada or Canadians trying to land family members from other parts of the world.

We soon discovered that the reason people came to members of Parliament rather than deal exclusively with the immigration department was that the basic system, the basic machinery, in that department was not really working well.

I do not need to take a political shot here at the government in the sense that when we were in power that our immigration system was perfect and since the Conservatives took over it got a lot worse. This has always been a very difficult department to manage and operate.

The challenge for us is to constantly work at reviewing this legislation and amending it so that it can deal with the complex issues that face us on an ongoing basis. These issues do change, sometimes because of situations that we cannot foresee or crises around the world where all of a sudden we will have large numbers of people who want to claim refugee status in Canada and sometimes the system no matter how well we try to design an act it is just not good enough.

One of the frustrations that we have on this side of the House during this particular debate is the fact that my colleague from Notre-Dame-de-Grâce has presented many constructive amendments that were drafted not just by the member alone but were put together and organized by him after listening to many experts from across the country. These experts work on this issue day in and day out, some as professionals and people who have been actual victims of our system, and so our colleague, the hon. member from Notre-Dame-de-Grâce presented all of these amendments to this House and the government basically rejected all of these amendments. I find that approach to such a complex issue a little arrogant. We are not trying to settle political scores on this side of the House while we are trying to put forward a constructive amendment to a very complex bill.

If we reviewed the witnesses and reviewed the experience of my colleague for many years, it seems to me in the spirit of trying to design and create better legislation, it would have served the government to be a bit more receptive to some of these amendments which ultimately would have served all of us a lot better.

This is important because this type of attitude, this rigidity toward the Immigration Act, eventually is transmitted through the entire department and it becomes part of the spirit of the people that are delivering and implementing the act.

I know in my own specific riding I have had such cases. I cite the Dularie Boodlall case. This women was a victim of violence in Trinidad. She came to my office because she had a deportation notice. She had explained to the officials that her life had been threatened, she had been beaten several times, here is the documentation. The police had documented this information. The officials wanted to deport her back to an environment where her husband was living, where she had received threats to her life. The system, the department, rejected her appeal.

She came to my office several times. I know she also went to the member for Trinity—Spadina and I believe she went to the member for Parkdale—High Park. The various organizations in the city appealed to us and it was only after very forceful representations in this House that the minister reversed his decision and we were able on humanitarian and compassionate grounds to get that specific case reversed.

My point is that we are constantly being presented with cases in our offices. We are constantly receiving representations from churches and other credible organizations where people are pleading for help and quite often even with all of the resources that we have we sometimes cannot get the minister's office to reverse its position.

What concerns me about this legislation is the fact that we, as MPs, will have even less opportunity to take on those very sensitive cases because in this legislation we are delegating so much authority to public servants. Therefore the political culture, those of us who are dealing directly with the people that elect us, will have less to do in our relationship with them. I think this is a basic flaw in the legislation.

It is very important that we put the government on notice that this aspect of the legislation is very weak. It may appeal to an element in our country that tends to be very right wing in their attitude about the way we process

and handle refugees and deportations. Taking the humanitarian tone out of the system is wrong.

Mr. Speaker: It being two o'clock, pursuant to Standing Order 30(5), the House will now proceed to statements by members pursuant to Standing Order 31.

* * *

AUDITOR GENERAL OF CANADA

TABLING OF ANNUAL REPORT

Mr. Speaker: I have the honour to lay upon the table the report of the Auditor General of Canada to the House of Commons for the fiscal year ended March 31, 1992.

[*Translation*]

I remind hon. members that, under Standing Order 108(3)(*e*), this report is deemed to have been permanently referred to the Standing Committee on Public Accounts.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

TRANSPORTATION

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, the recent report by the National Transportation Agency confirms that Canada lacks a policy on national transportation.

Some two years ago this Conservative government cancelled passenger rail service from Sudbury to Winnipeg. Communities like Marathon, Terrace Bay, Schreiber, Nipigon, Red Rock, Dryden, Kenora and Thunder Bay must rely on highways, which in the north are not great, or expensive airline tickets.

This government has in essence denied passenger rail service to over 350,000 people from northern Ontario. This Draconian measure deals specifically with people. Let me give an example.

Mr. and Mrs. Anthony Kokanie of Thunder Bay, whose son died in The Pas, Manitoba, were unfortunately not able to travel by air or by car since Mr. Kokanie could no longer drive. Unfortunately, because of their disabilities they could not take any means of available transportation and because the train was not travelling, they could not attend their son's funeral.

This is not an isolated situation for those 350,000 residents. We call upon this government to immediately restore passenger rail service to the 350,000 people from northern Ontario.

* * *

SMALL BUSINESS

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, as part of the Canada 125 celebrations, on November 18 six businesses in my riding received awards from the Atlantic Canada Opportunities Agency recognizing their endurance for over 125 years.

These businesses fall into the category of small business in the area where 80 per cent of jobs in Canada are generated. In fact, 99 per cent of Canadian companies have less than 100 employees.

These six businesses that were established over 125 years ago are Bentley's Ltd., The Snook Group, Wilson Fuels, Pugsley's Pharmacy, Dominion Bridge Atlantic, and Tingley Monuments Ltd. They have all proven their ability to survive through recessions, two world wars, and all of the challenges businesses must face by continually demanding excellence in every aspect of their operation. One business, Pugsley's Pharmacy, was once operated by Sir Charles Tupper, former Prime Minister of Canada.

As a small business person myself, I take my hat off to each and every one and wish each of them another 125 years of success.

* * *

HUMAN RIGHTS

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, in Canada if journalists are critical of the government, they can find themselves in the doghouse. In Mexico if journalists are critical of the government, they can find themselves in the cemetery.

The Canadian Centre of International PEN, a writers' group, sent a letter recently to our Minister of Justice expressing shock at the recent murder of another prominent Mexican journalist, Ignacio Mendoza Castillo, on November 13 in Mexico City. I say another because 20 reporters have lost their lives during the first half of President Salinas' term.

PEN has called for Canada, the United States and Mexico to make human rights and freedom of speech a non-negotiable item of the North American free trade agreement negotiations. I quote from their letter: "It is imperative that the Canadian government communicate its concerns to the Mexican government over this brutal murder and the continuing threat to other journalists and writers working in Mexico. We also call upon the Canadian government to reconsider its position and to take the initiative in calling for improvements in human rights and freedom of expression in Mexico before NAFTA is legislated into law".

* * *

[*Translation*]

CANADA POST CORPORATION

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, following a complaint by a merchant in Val d'Or, 14 male letter carriers and one female letter carrier were each suspended five days without pay for delivering flyers too soon.

Normally, a merchant expects quick delivery so that potential customers are aware of a sale as soon as possible.

This was the exception that proves the rule. The customer complained about the negative impact on his sale: 1,500 of his 12,000 flyers were delivered three hours before closing time in Val d'Or on November 16.

Since in other cases management tolerates and even approves early delivery of flyers, there was no need to punish employees who thought they were doing a good job.

The outrageous part of this story is that Canada Post is not imposing the suspension today—I have a copy here—but at the end of April 1993.

Canada Post abuses a system that has become far too authoritarian and I think a suspension is too drastic. A reprimand in writing in the employee's file would have been enough.

Canada Post shows a complete lack of understanding and respect for its employees and as far as I am concerned, the human relations branch of Canada Post in Quebec City and Ottawa deserves no respect either for the time being.

S. O. 31

CANADIAN INTERNATIONAL

Mr. Nic Leblanc (Longueuil): Mr. Speaker, a few months ago, the Minister of Transport and the Minister of National Defence decided to purchase three Airbus aircraft plus spare parts from Canadian International for $195 million.

The purpose of this decision was to save Canadian International. Unfortunately, Canadian International survived for only a few months. Today, the Minister of Transport is giving Canadian International a few months reprieve with $50 million. How many hundreds of millions of dollars are we going to spend to help Canadian International survive a few more months?

* * *

[*English*]

M6 LANDFILL SITE

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, last Friday the IWA announced the M6 landfill site in Markham was one of three sites on the short list of dumping grounds for ultimately 40 million tonnes of metropolitan Toronto's garbage.

Today, I want to strongly object to the M6 site because it would violate Transport Canada's bird hazard guidelines which state that a dumpsite should not be within eight kilometres of an airport.

The Markham—Stouffville hospital heliport is located only 3,000 metres from the M6 site. This is a 24-hour emergency service. The M6 site is only 2.5 kilometres from the edge of the proposed Pickering airport boundary. Garbage dumps attract thousands of sea-gulls and other birds which threaten air safety. Why does the NDP government want to risk people's lives by ignoring Transport Canada's guidelines?

* * *

UNEMPLOYMENT INSURANCE

Mr. Joe McGuire (Egmont): Mr. Speaker, last Tuesday in Charlottetown, P.E.I., a federal tax court judge stated that he had no jurisdiction to rule on arm's length cases brought before him under Revenue Canada appeals and UI insurability.

This ruling has national implications and all such appeals are now suspended until the problem is resolved.

This leaves citizens who have been denied UIC benefits under section 32(c) of the UI Act and section 25(1) of the Revenue Canada Act which deals with the term arm's length with another extended wait before decisions are made in their cases. They have already waited a year.

In addition, the appellants in the case will also have to fund these legal arguments out of their own pocket. It is difficult to believe that a judge refused to rule on the interpretation of federal legislation, but it is more difficult to believe citizens who have been refused UIC benefits have to pay for the lawyers and judges who argue the case.

I urge the Minister of National Revenue to give an order to have this impasse resolved immediately and to lift the burden of paying for the resolution of the impasse off the shoulders of disqualified UI claimants by providing funds to have these cases argued and resolved.

* * *

WHITE RIBBON AGAINST PORNOGRAPHY WEEK

Mr. Ken James (Sarnia—Lambton): Mr. Speaker, as all members of the House will know, October 25 to November 1 was the annual White Ribbon against Pornography Week.

In my riding of Sarnia—Lambton, I was presented with 275 white ribbons from a delegation of the Catholic Women's League from St. Peter's Church.

Members of St. Peter's Church wore these ribbons to show their support for this important cause. Recently, the Supreme Court unanimously upheld the anti-obscenity provisions of the Criminal Code as they apply to publications, video tapes, movies and other pornographic material.

This law is important. It is needed to protect women and children against violent and sexual exploitation. The federal government is now considering a law on pornography and children to protect the most vulnerable in our society from sexual exploitation and abuse.

I would like to reassure Canadians that our government is committed to fighting the violent and sexual exploitation of women and children.

CHILD POVERTY

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, today is the third anniversary of the unanimous House of Commons motion to eliminate child poverty by the year 2000.

I rise today to lament the fact that this government has failed to fulfil the promise it made to Canadians three years ago. The Prime Minister constantly reminds this House of his commitment to Canada's children, yet their situation is getting worse and not better.

More than 1.1 million children are living in poverty in this country and an estimated 700,000 are using a food bank each year. As if to highlight this government's hypocrisy, the Minister of National Health and Welfare has chosen today to announce a campaign to spotlight Canada's participation in the UN Year of the Family in 1994. We know this government's track record and hope that this will not be another multi-million dollar advertising campaign. We hope that this is not an attempt by the government to inflate its own image while drawing attention away from those issues of real importance to Canadian families, like having a job to come home from each day and enough food on the table each night.

* * *

• (1410)

HUTTERITES

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, across Canada's prairie provinces thrive 20,000 people whose commitment to agriculture and to the rural economy knows no equal. Followers of Jakob Hutter, dating from the mid-sixteenth century, the Hutterite brethren have developed a commitment to social and moral values that many other Canadians can only dream of.

In Manitoba, 6,000 Hutterites produce a third of our pork and one-quarter of our eggs and turkeys. Hutterian women maintain skills and crafts that many Canadian women have abandoned for other pursuits.

Although it may not be for everyone, the Hutterite way of life has withstood the test of time in Canada for over the past 100 years. The next time you are in

Manitoba, I invite you to visit a colony and see a refreshing and distinct side of our Canadian mosaic.

* * *

NEW DEMOCRATIC PARTY

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, the Auditor General's report has been made public today. It will identify government waste, as it should. But there was waste here in the House of Commons last night which will not be mentioned. The NDP, suffering from its abysmal showing in the polls, lower than it has ever, ever been, decided to hold roughly five hours of votes, thereby necessitating the expenditure of thousands of dollars of precious taxpayers' money. A vote that would normally have taken a fraction of the time was extended by approximately five hours. That was an irresponsible act, a charade that will be recognized as such by the people of Canada in the next federal election.

* * *

NATIONAL DEBT

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, while acknowledging the very serious problems of deficit and debt which confront Canadians, a recent article in the *Fraser Forum* confirms the improving trend of some important fundamentals in the federal government's financial management. They bear repeating.

One of the most encouraging realities is the reversal from deficit to surplus in the program operating account, excluding debt costs. Eight years ago the federal government spent $16 billion more on program spending than it collected in revenue. Last year the government spent $10.1 billion less on program spending than it collected on revenue, despite the presence of the recession.

Primarily this has been achieved by controlling the rate of growth in government program spending which has been held to 3.9 per cent annually over the past eight years, as opposed to 13.7 per cent in the 15 years before that.

The level of federal debt has become unacceptably high but real progress has at least been made in curtailing its rate of growth. That is a trend we simply must follow until the debt begins to fall.

S. O. 31

SEXUAL HARASSMENT

Ms. Mary Clancy (Halifax): Mr. Speaker, last year two women, two of my constituents in Halifax who were employed by the Public Service Commission of Canada in the staffing branch, lodged a complaint of sexual harassment against their superiors. Both a management review and the departmental investigation found sexual harassment had occurred.

When one of the complainants attempted to transfer, her efforts were repeatedly blocked. What has happened? Today she is effectively out of a job. Today the other complainant was informed that her contract is being terminated. The investigation of the department stated that a punitive approach had already been taken against these women.

What guarantees does this government offer that there will be sanctions against sexual harassers and that women who complain will not be punished?

* * *

MEMBERS OF PARLIAMENT PENSIONS

Mrs. Louise Feltham (Wild Rose): Mr. Speaker, I believe that pension benefits for members of Parliament should be reviewed. Members of Parliament make monthly contributions to a fund that pays their pensions. The fund is self-supporting, nonetheless the public perception is that the pension is far too generous. For example, some people think that members qualify for pensions too early.

I hope that members on both sides of the House will support a review of members' pensions by an unbiased panel.

* * *

THE ENVIRONMENT

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, an interesting thing is happening. At this time many people are growing more and more concerned about the sunken Soviet submarine which contains plutonium and the possibility therein for a massive pollution of that particular region of the world, particularly the ocean and the fishing stocks, et cetera. We are also entering an entirely new era where nuclear waste is going to be transported by ship, thus creating the possibility of

having to deal with this kind of situation over and over again.

I say is that perhaps this government and other governments that have a say in this should learn something from this sunken Soviet ship and try to reach an international treaty to prevent the shipment of nuclear waste by sea under any circumstances.

* * *

THE ECONOMY

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, Statistics Canada has released several positive statements pointing to hopes that the economy is beginning a sustained recovery. August, September and October showed excellent increases in the GDP, employment, retail sales, as well as housing and auto sales.

Consumer confidence is improving and emphasis should be placed on this. If consumers return with a sustained level of spending it will help this country tremendously in gaining back a more prosperous standard of living.

Indications from our neighbours to the south point to improvements in growth in the U.S. economy. This will have a direct impact on Canada's recovery.

These are good signs and ones that should give renewed hope to all of our citizens.

ORAL QUESTION PERIOD

[*Translation*]

AUDITOR GENERAL'S REPORT

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, in his report tabled today in the House, the Auditor General of Canada stated that as a result of tax loopholes for foreign affiliates, the federal government is losing hundreds of millions of dollars annually.

I would like to ask the Minister of Finance why hundreds of millions of Canadian dollars invested in Singapore, Switzerland, Barbados, the Netherlands and many other countries are tax exempt, while Canadians have had to swallow 32 tax increases in eight years?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the taxation of foreign affiliates is indeed a very complex matter. This government took action in 1988 when it introduced the general anti-avoidance rules into the Income Tax Act.

The hon. member must recognize we have to have a tax system that is competitive, that ensures our tax regime is consistent with international norms and that is not more punitive than tax regimes in other countries because that is part and parcel of a positive investment environment. That is what we have been trying to achieve and that is the balance we have been trying to strike.

I am not sure whether the Auditor General has really recognized the actions we have taken with respect to the general anti-avoidance rules.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, with great respect to the Minister of Finance, he cannot do his own job and he should not tell the Auditor General how to do his.

In 1987 the Department of Finance announced that it would review the tax rules on interest deductibility of foreign source income and foreign affiliation. More than five years later, in 1992, these studies have not been completed. What is the government waiting for? Why is the government giving a tax break to corporate agencies and people in Hamilton, Bermuda, but not to those in Hamilton, Ontario? Why are there tax breaks to businesses operating in Barbados, another tax haven, and not to businesses operating in Canada?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I repeat that in 1988 my predecessor brought the general tax avoidance rule into the Income Tax Act. Again, I remind the hon. member that Canada's tax policy has to be consistent with international norms.

Hon. members stand up in the House day in and day out and talk about a positive investment climate. We need investment in this country and we need to have an environment that is competitive, that encourages competitiveness and that will encourage investment and the creation of jobs.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, it is clear the government does not know how to administer tax measures.

According to the Auditor General's report tabled this morning, the government had allocated $422 million for preparing, introducing and managing the GST, the goods and services tax.

• (1420)

However, the government spent $808 million, which is twice as much. The GST costs more than was expected, revenues are lower and the deficit is higher than was anticipated, and so forth.

Will the government finally admit that its administration is out of control and go to the people with a general election?

[*English*]

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, the hon. member should be very careful as to how he reads the Auditor General's report. Nowhere in the report does the Auditor General state that the planning, preparation or the administration of the GST is costing more than what was provided to Parliament. Nowhere. I challenge the hon. member to show me. In fact, I had a meeting yesterday with the Auditor General and we concluded that was not the case.

The fact of the matter is that the hon. member is comparing apples and oranges and we are comparing apples and apples, or oranges and oranges. The Auditor General concludes in his report that—

Mr. Boudria: Some fancy footwork now.

Mr. Fontana: It is twice as much. Can you not count?

Mr. Jelinek: They get very nervous when there is an honest answer coming to a falsified question.

Some hon. members: Oh, oh.

Mr. Jelinek: The Auditor General concludes: "We found that there was no departure from reporting requirements for budgetary expenditures. The costs were disclosed in various main estimates by year and were spread among all involved departments and agencies". The bottom line is the same between the Auditor General's report and our projections on the GST.

Hon. Herb Gray (Windsor West): Mr. Speaker, I have a question for the Minister of Finance. On page 49 of the Auditor General's report the Auditor General says: "In September 1990, the Department of National Revenue, Taxation, again advised the Department of Finance about concerns it has with existing legislation. Taxpayers can transfer foreign subsidiaries' losses to their Canadian parents; move Canadian corporation's income offshore and convert income of Canadian corporations into tax-free income".

Why has the Minister of Finance ignored the warnings of the Department of National Revenue on this matter? Why does he consider helping companies to invest in tax havens more important than creating jobs in Canada?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, as I said earlier, the introduction of the general anti-avoidance rules into the Income Tax Act in 1988 has in effect taken care of most of those issues the Auditor General has referred to.

Hon. Herb Gray (Windsor West): Mr. Speaker, the Minister of Finance says that the introduction of anti-avoidance rules in 1988 has taken care of this matter. Then I ask the Minister of Finance, why is the Auditor General of Canada raising a concern about this matter saying that it has not been taken care of in his report tabled today for 1992? You had better check your calendar, Mr. Minister.

Mr. Speaker: Hon. members ought also to place their questions through the Speaker.

Mr. Gray (Windsor West): Mr. Speaker, I ask the Minister of Finance why he says this matter was taken care of in 1988 when the Auditor General in his report tabled today for 1992 says that it has not been taken care of. Can he explain this discrepancy between the views of the servant of Parliament, the Auditor General, and what he just told this House?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, my response remains the same. I will certainly look into it in more detail. However, the fact of the matter is we believe that those issues have been covered as a result of the introduction of the general anti-avoidance rule which was brought in by my predecessor.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, my question is for the Minister of Finance who will know that any government's priority must be to find ways and means to put 1,600,000 Canadians back to work, to give them jobs they most sorely need.

The government keeps telling us that it does not have any money and yet in No. 2.58, the Auditor General says that hundreds of millions of dollars in tax revenue have been lost as a result of corporate loopholes. That is what it says. In spite of what the Minister of Finance is saying about what happened back in 1988, the Auditor General is saying that hundreds of millions of dollars are lost each year because of corporate tax loopholes.

Will the Minister of Finance do the right thing in an effort for fairness and justice in our tax system? Will he close those loopholes, collect those revenues and create those jobs with that additional revenue?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, again my predecessor has the record of closing many of the hundreds of tax loopholes which were left there by the previous administration. The fact of the matter is that many of the same members are now saying: "We need some incentives in the system to encourage jobs and to generate investment". I wonder to what specific loopholes the hon. member is in fact referring.

I can tell the hon. member that one of the best ways for his party to contribute to job creation is get off this protectionist kick it is on that suggests we should become a closed economy, that we should not open our doors to trade, that we should not open our doors to investment. That is not our approach.

Our approach is that we are open for business, we are open for trade, we believe in the free trade agreement with the United States and—

Mr. Speaker: The hon. member for Okanagan—Similkameen—Merritt.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, it seems that the government has had eight years to close those loopholes and it has in fact put all of Canada out for sale.

While the Auditor General points out the tax unfairness between the corporate taxpayers, he also points out that the small business community suffers while our large corporations profit. Will the government now recognize that the small business community is the future creator of jobs in Canada and will it move immediately to level the playing field for that sector?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): I agree, Mr. Speaker, that the small business community is one of the major components of job creation in this country. That is why we are continually taking steps to encourage the small business sector.

I note one of the tax loopholes that the New Democratic Party refers to at all times is the capital gains exemption that is applied to small business. That is one of the loopholes I suspect it wants to do away with. That would not help small business. It would hurt small business.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, it seems that the government's fiscal and monetary policies have created a situation where we have over 1.5 million people unemployed. At the same time we look at the Auditor General's report and we find that the foreign affiliates of Canadian corporations have invested more than $90 billion offshore in offshore tax havens.

Will the minister commit now that this multimillion dollar tax rip-off will be shut down and the money used for job creation for those 1.5 million desperate unemployed people in Canada?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, as I indicated earlier, my predecessor brought in provisions such as the large corporation tax and the general anti-avoidance rules as ways and means to close a number of these loopholes. There is also the fact that the scientific research and development incentive was part of the former administration's $1 billion boondoggle. Those kinds of things were closed. There have been a number of loopholes which have been closed.

If there are any further examples, we will certainly take them into consideration.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is for the President of the Treasury Board. Today the Auditor General told us that the government gave 22 untendered contracts ranging between $35,000 and $743,000 for the so-called prosperity agenda, all in contravention of Treasury Board rules.

I want to ask the minister: Why does this tired old government think that rules are made to be broken? Why does the minister tell Canadians to tighten their belts at the same time as the purse strings are being loosened for Conservative Party hacks and supporters?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, let me say to the hon. member that this government was off and running with the prosperity initiative drawing out ideas from people across the country. We were developing policies as to how we would respond to the people of this country in bringing about a package of policies which would do exactly what the hon. member wants and that is to move this country into the nineties, into the next century with a series and a composition of policies that are designed to improve the competitive position of this country.

• (1430)

The hon. member asked a specific question about tendering practices. The practices that were followed were consistent with the spirit of the rules. However, because of the urgency of getting the prosperity initiative launched, there was not sufficient time to follow the policy to the letter. It was with a desire to move ahead as quickly as we could that we took this action.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I can tell that this is a very tender subject with the government across the way.

[*Translation*]

My supplementary is for the minister who just answered. The Auditor General also declared today that two thirds of these contracts were paid even before the work was done.

Therefore, I would ask the minister the following: when will this old and tired government learn that the taxpayers' money does not belong to the Tories and that they cannot use it to reward their friends?

[*English*]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, it is hard for me to understand how the member would describe the government the way he has when we are anxious to get out and do things that will help the success of this economy. It is precisely for that reason we have been subject to this comment by the Auditor General.

My hon. friend should know that the spirit of the policies was followed in the way that we went about handing out the contracts because of the importance we felt of getting on with the job and dealing with the problems we are addressing, problems countries around the world are facing. It is because we were anxious to get out there that we took the action we did.

Mr. Eugène Bellemare (Carleton—Gloucester): Mr. Speaker, my question is for the Minister of Public Works.

Despite the Auditor General's previous reports which indicate that lease/purchase agreements is a very costly method of acquiring public buildings, how can this tired old government justify entering into a 25-year lease agreement in 1991 for the Louis St. Laurent building in Hull?

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Speaker, for a number of reasons.

On the contrary, this government very energetically pursued the request of DND to provide some long-term stable space for the department. We acquired some valuable additional assets, converted them into a lease/purchase agreement, avoided moving expenses and, perhaps more important, preserved 40,000 square metres of space on the Outaouais side which helped to preserve the important proportion of space traditionally allocated on both sides of the river.

[*Translation*]

Mr. Eugène Bellemare (Carleton—Gloucester): Mr. Speaker, my question is for the same minister.

We know that the Department of National Defence will no longer need the Louis-Saint-Laurent building after only 10 years of a 25-year lease contract with a purchase option.

We know that this building has cost private industry $41.5 million and that, according to very conservative figures, taxpayers will probably have paid more than $270 million at the end of the contract.

How can this exhausted government which refuses to follow the advice of the Auditor General justify this gargantuan squandering of public funds?

[*English*]

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Speaker, over the term of this lease/purchase agreement there will be ample opportunity because of the turnovers that Public Works and this government require to utilize that building fully.

Although at the time the timeframe that DND required it may not have been apparent, it will be fully utilized and will present good value for the money when the analysis is completed.

Mr. John Brewin (Victoria): Mr. Speaker, my question is for the Acting Prime Minister.

Today the Auditor General reported on the procurement policies of the Department of National Defence. He used these words among others: defective, cumbersome, ineffective, very expensive, wasted costs amounting to several billions of dollars, and equipment exceeding existing or planned capabilities elsewhere in the world.

Will the Prime Minister at least take the first two steps necessary to bring the department's spending under control: freeze the $4.4 billion helicopter program and fire the Minister of National Defence?

Hon. Marcel Masse (Minister of National Defence): Mr. Speaker, I can assure the member we have everything to fire in the department.

[*Translation*]

I read the Auditor General's report a few hours ago and I found it very interesting on the whole. Most of the analyses were made in co-operation with and with the collaboration of the Department of National Defence and over the last few months we have modified a number of our policies in accordance with the Auditor General's suggestions.

[*English*]

Mr. John Brewin (Victoria): Mr. Speaker, the Auditor General's report says that these programs and problems are continuing.

The report additionally says that virtually all projects examined experience schedule delays and cost overruns. Spare costs exceed 50 per cent of alternative costs. There are severe deficiencies in the naval reserve and militia and substantial deficiencies in the air reserve, programs which cost over three-quarters of a billion dollars.

Will the government concede that Department of National Defence spending is completely out of control?

[*Translation*]

Hon. Marcel Masse (Minister of National Defence): Mr. Speaker, it is clear that the answer to that question is a definite no. The department must take into account the constantly evolving international situation, it must consider the fact that most of these major projects take 10, even 15 years between the time of their inception and the delivery of the products to the department. We are very aware of the importance of the public funds invested in these projects and that is why we will abide by the Auditor General's suggestions and streamline some of our procedures.

Mr. Douglas Young (Acadie—Bathurst): Mr. Speaker, in his report, the Auditor General says that the annual deficit and the debt are of great concern to Canadians. In the last budget, the forecast for the deficit was less than $28 billion and it has now reached $35 billion.

Why will the Minister of Finance not accept the Auditor General's recommendation and recognize that the Tory government must give Parliament and Canadian taxpayers more precise information on the debt and the deficit and more realistic comparisons between anticipated results and the actual figures?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I genuinely appreciate the comments of the Auditor General because he recognizes the importance of controlling the deficit and dealing with the structural debt problems. I also appreciate the fact he has indicated that we should be taking more steps to communicate these to the Canadian public.

I find that most encouraging and I find the hon. member's question most encouraging, because day in and day out we get criticized from opposition members for advertising and for spending money on the dissemination of information.

Things such as *Where Your Tax Dollars Go* is something that is available to all Canadians. We try to send out this kind of information on a monthly and quarterly basis.

If the hon. member's question is in the form of a representation to do more of that, I will take that under serious advisement.

Mr. Douglas Young (Acadie—Bathurst): Mr. Speaker, the Auditor General states in his annual report that the government has given absolutely no indication that it intends to publish the performance score card he asked for last year on its action plan to reduce the deficit. That action plan incidentally has seen the predicted deficit jump from $28 billion to $35 billion.

Is it because the Minister of Finance is too embarrassed to report accurately on his government's performance with respect to its eight-year stewardship, or is it just that the Tories do not understand what kind of damage they have inflicted on the Canadian economy as a result of their policies?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I will have an action plan to propose to the House of Commons and the people of Canada on December 2. I hope the hon. member will stand in his place and support us.

• (1440)

Mrs. Christine Stewart (Northumberland): Mr. Speaker, my question is for the Minister of Finance.

According to the Auditor General, Canada's international debt exposure to regional development banks, plus this government's debt forgiveness last year to Poland and Egypt, comprised billions of dollars of Canadian undisclosed debt. Why is this tired old government hiding its real and total indebtedness from the Canadian people?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, speaking of a tired old government, we have a tired old opposition party over there, the Liberal Party, that has not had a new policy idea since the seventies.

Some hon. members: Hear, hear.

Mr. Mazankowski: As the hon. member knows, Canada extends credit to a number of sovereign states for many reasons: to promote Canadian exports, to support our foreign policy objectives and to aid in the economic development of less developed countries.

The government remains of the view that the principle of the ultimate collectability of these sovereign loans is the basis upon which we participate in the Paris Club, a group of creditor countries. It is in that forum that we deal with these particular issues because there are other countries involved in precisely the same activity and we work at that in a collective manner.

Mrs. Christine Stewart (Northumberland): Mr. Speaker, if the minister would look at the report he would see that the Auditor General and this government-to-be do not agree.

My supplementary question is for the Secretary of State for External Affairs. Canada pays more per capita to international development banks than any other nation despite the fact that full audits are not available.

We know the good track record of non-government organizations in alleviating global poverty and promoting sustainable development. We question the performance of international development banks.

Will the Secretary of State for External Affairs guarantee no further cutbacks to NGO programs?

[*Translation*]

Hon. Monique Landry (Minister for External Relations and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, the Auditor General's chapter on regional development banks points to a very complex aspect of our international co-operation activities. Nevertheless, I think that these regional development banks play a very important role in the support they give developing countries.

Of course, our program is very varied and supports different activities of our development partners for the benefit of the countries concerned. These partners may be NGOs, which my colleague just mentioned, the private sector, institutions and also regional development banks which we think play a very important role.

* * *

MANPOWER TRAINING

Mr. Jean-Pierre Blackburn (Jonquière): Mr. Speaker, my question is for the Minister of Employment and Immigration. Our constitutional proposals included transferring labour force training to the provinces. Today,

because Canadians said no in the referendum, we seem to be saying to them with some bitterness, "No, too bad. You should have said yes".

Nevertheless, since eliminating overlap could save $250 to $300 million and the transfer could be done through an administrative agreement on manpower training, does he not find that our attitude toward Quebec seems to be intransigent, since there is consensus on this issue in our province?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, it is not with bitterness but rather fully aware of the people's verdict on the provisions of the Charlottetown accord that we will deal with the request to transfer jurisdiction or authority.

The problem now is that it is crucial for the competitiveness of the Canadian economy to have a trained labour force. Surely within the present constitutional framework a way can be found with the provinces and the private sector to avoid duplication and ensure that taxpayers and Canadians who need training benefit from a coherent, well-co-ordinated program. That is the challenge before all of us parliamentarians. In January, I intend to call Canada's ministers of employment and immigration together to see how we can better co-ordinate our activities so that Quebec workers end up benefiting from these training programs.

* * *

[*English*]

THE ECONOMY

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, my question is for the Minister of Finance.

Last Thursday the Bank of Canada raised its interest rates by almost 1 per cent, but the value of the Canadian dollar still fell. Clearly speculators do not believe that the government is going to keep interest rates so high when the Canadian economy is in such bad shape. Today the bank rate has gone up almost another full percentage point.

What strategy does this government think it is following? Does the minister not realize that keeping interest rates lower and letting the dollar find its own level would be far healthier for the Canadian economy?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, as the hon. member knows, financial markets internationally have been very volatile over the last month or so. In so far as Canada is concerned, it has put upward pressure on interest rates and downward pressure on the value of the dollar.

I am concerned about this volatility and I am concerned about the effect that it will have on economic recovery, but I reiterate the point that I have made on previous occasions: there is international uncertainty and volatility. I note that today the European banks have had to raise their interest rates in Ireland, Spain, Portugal, Norway and Greece.

The hon. member is aware of the exchange volatility in the U.K., France and other countries. There also appears to be an element of speculation in recent financial market developments.

I want to assure the hon. member and the country that the government is not changing its economic policy stance. We are committed to the principle of price stability. We are committed to the principle of fiscal consolidation and we are committed to the principle of economic restructuring. We will continue to follow those policies.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, the key question is whether this government is committed to a policy of full employment and economic expansion like the United States government that has just been elected seems to be.

The minister should be aware that a reduction of three percentage points in Canadian interest rates on a sustained basis means 125,000 new jobs. It means the difference between thousands of small businesses surviving or collapsing.

Will this government place these new jobs and the survival of these small businesses first and stop trying to maintain the value of the dollar by pushing up interest rates?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, that is a very interesting proposal. I am rather attracted to the hon. member's observation that he is attracted to the Clinton policy initiatives.

President-elect Clinton is very much in favour of the free trade agreement because he thinks it is good for Canada and for the United States. President-elect Clinton is very much in favour of the North American free trade agreement because he thinks it is good for jobs in Canada, the United States and Mexico. Does that mean the hon. member is going to support that as well?

The hon. member knows better. You cannot just simply dial a phone and reduce interest rates by 3 per cent. That is being naive.

* * *

[*Translation*]

CANADA LABOUR CODE

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is directed to the Minister of State and the government House leader.

This is further to the question I directed to the Minister of Labour on November 17, 1992, concerning inclusion in the Canada Labour Code of the preventive withdrawal of pregnant workers. The answer I received was that cabinet had approved the bill in question and the minister intended to table the bill in the very near future.

Can the minister let the House know today when this bill, which is extremely important for all Canadian women, will be placed on the legislative agenda for consideration at the earliest possible opportunity in the House of Commons?

• (1450)

Hon. Marcel Danis (Minister of Labour): Mr. Speaker, as the hon. member pointed out, my cabinet colleagues have agreed in principle with this very important bill which deals with the redeployment of pregnant women.

I can assure the hon. member and other members of this House that the government intends to table this bill in the near future. I want to congratulate the hon. member on the interest he has shown in this matter.

[*English*]

AUDITOR GENERAL'S REPORT

Hon. William Rompkey (Labrador): Mr. Speaker, my question is for the Minister of National Defence. The Auditor General this morning listed case after case where the management of capital projects by DND has been, in his words, ineffective. Yet this tired old government and this tired old minister have kept in place exactly the same management procedures for the production of the EH-101 helicopter.

Why has the minister not put in place new management procedures for the EH-101 helicopter, as recommended by the Auditor General, so as to save the Canadian taxpayer billions of dollars?

[*Translation*]

Hon. Marcel Masse (Minister of National Defence): Mr. Speaker, this is more or less the same question I was asked before.

The hon. member may wish to take a careful look at the Auditor General's report, which says that one of the problems with big projects was the fact that some members would insist on having part of the work done in their ridings.

The Auditor General does not encourage the policy of using the department's big projects to do regional development. I hope the hon. member will read this particular chapter very carefully.

[*English*]

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I have a supplementary question for the Minister of National Defence along the same lines. However, I assure him it is not the same question. It goes from the general to the specific.

In this report the Auditor General reveals that the difficulties observed in the management of defence programs is related to problems generated early in the project life cycle during project initiation.

Given the magnitude of the EH-101 helicopter program, $4.5 billion, the third largest program for the government ever, will the minister have the Auditor General review the program at this stage of its life cycle?

[*Translation*]

Hon. Marcel Masse (Minister of National Defence): Mr. Speaker, it may not be the same question but the spirit is the same, so the spirit of the answer will be the same as well.

We have already followed up on some of the Auditor General's comments, including his suggestion to tighten procedures.

* * *

[*English*]

AIRLINE INDUSTRY

Mr. John Manley (Ottawa South): Mr. Speaker, my question is for the Minister of Transport. In his statement this morning, the Minister of Transport outlined the government funding that was sought by Canadian Airlines in order to complete its transaction with its employees and American Airlines.

My question is this. Is the giving of the loan guarantees which were sought by Canadian still under consideration by the government or is the $50 million offered today the only and final assistance to be given by this government to Canadian Airlines?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I outlined in my statement this morning the hurdles that were in the way for the Government of Canada to be able to intervene in this matter.

I have said many times in the past that we were very impressed by the desire of the 15,000 or 16,000 employees of Canadian Airlines to save their airline. It is for that reason we came to the table. We have put our proposal on the table and it has been accepted. Both the company and the employees are already saying that they are very satisfied with the government's response to their request.

Mr. John Manley (Ottawa South): Mr. Speaker, I have no doubt the employees are pleased to receive any assistance they can get from the government. However, my question was a very specific one.

The minister outlined the conditions that were sought by Canadian Airlines in the proposal that was put to the government last week. The minister's statement reveals a willingness to contribute some money but does not respond to the loan guarantees that were requested.

Will the government consider giving the loan guarantees that were sought in order to complete the American Airlines transaction, or is this the last and final offer of assistance this government is prepared to make to Canadian Airlines?

[*Translation*]

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, the obvious conclusion is that the hon. member did not really read the statement I made in the House this morning. I explained that responding to the proposal in its present form would expose both Canadian taxpayers and the employees themselves to losing their investment outright because we do not control one of the fundamental conditions of this proposal, which is that PWA is to leave the Gemini system altogether before the other conditions set by American Airlines can come into play. An affirmative response in this respect would mean putting considerable amounts of taxpayers' money at risk, as well as the personal contributions of employees.

* * *

[*English*]

FISHERIES

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, I have a question for the minister of fisheries about some tired old clam beds in my riding.

I have heard from over 500 constituents along the Bay of Fundy shore and the Northumberland Strait shore through meetings, letters and petitions requesting that the government establish conservation measures to protect the clam stocks along these shores.

I would like the minister to tell us if under section 43 of the Fisheries Act the department can establish these conservation measures, and will it?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I am never too tired to pay attention to the siren call of the soft-shell clam.

I understand that the hon. member is tired of waiting for a solution to the problem to which he alludes. The existing regulations do not provide us the tools to properly manage and control the clam fishery. New regulations are being prepared. We expect to have them in place during the early part of next year. They will require all persons fishing clams, tired or not, to be

licensed and will also deal with persons fishing clams recreationally.

I think that the hon. gentleman's problem will be resolved early next year.

* * *

EXTERNAL AFFAIRS

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, my question is for the Secretary of State for External Affairs. It concerns the plight of Christine Lamont and David Spencer, who are held in Brazilian prisons on 28-year jail sentences.

Last week the House of Commons justice committee again strongly and unanimously urged the minister to request the expulsion of Chris and David from Brazil, noting that in addition to the earlier miscarriages of justice they had documented, their lives are now threatened because of violence in Brazilian jails.

My question for the minister is very straightforward. How much longer is she determined to wait, how much longer must the lives of Christine and David be at risk before this minister finally listens to the voices of the justice committee and thousands of Canadians and seeks their expulsion from Brazil?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, I think that it is important to repeat once again that the process of expulsion in Brazil is neither automatic nor easy and in fact it would be unprecedented in modern times, particularly given the legal process that is going on at the moment.

I am sure the hon. member will be glad to know, because of representations on behalf of the Government of Canada, we have been able to obtain some information about the state of the process that is going on at the moment. The case is under active consideration in Brasilia. The appeals are before federal judges. They have had advice from the Attorney General.

We are optimistic that these cases will be heard in the very short term and we will have some answers on the length of the sentences about which we understand the Attorney General of Brazil has stated he would like to see some differentiation.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, through you to the same minister. David Spencer in a letter from prison in Brazil said: "The important thing for fair-minded souls in Canada to understand is to say we are waiting for local remedies to be exhausted is to say we will do nothing".

• (1500)

In view of the fact that the lawyers for both Christine and David in Brazil and Canada have made it very clear that the process of appeals and transfer could take many more months, if not years, I want to ask this minister specifically why is she continuing to wait? How much longer will she wait before she finally acts on the unanimous report of the justice committee, before she finally recognizes that their lives are at risk because of the violence in Brazil? How much longer will this minister continue to fail to live up to her responsibilities as minister on behalf of these Canadian citizens?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, I think that I and the people in the embassy have more than lived up to our responsibilities with regard to Mr. Spencer and Miss Lamont.

I should point out that the lawyers for Mr. Spencer and Miss Lamont do not have anyone in Brasilia, whereas the embassy does have people there. They are very close to the appeal process that is going on and is under very active consideration in Brasilia right now. We believe and have every reason to believe that our information is correct.

GOVERNMENT ORDERS

[*English*]

IMMIGRATION ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Valcourt that Bill C-86, an act to amend the Immigration Act and other acts in consequence thereof, be read the third time and passed.

The Acting Speaker (Mr. DeBlois): At the suspension of the debate the hon. member for Broadview—Greenwood had eight minutes remaining.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, as I was saying before Question Period began, we on this side of the House were disturbed by the fact that all of the amendments put forward by our critics in committee were rejected by the government side of the House.

A lot of those recommendations were as a result of listening to many experts from across the country, as well as the experience we have had as members of Parliament. Constituents would come to us from time to time on highly sensitive issues or on issues and problems that could not be addressed by the Public Service or situations where the Public Service, in the opinion of our constituents, was not really giving a fair judgment or a fair evaluation.

As I have said, the rejection by the government of all of our recommendations is not really working in the true spirit of amending the bill in a constructive way.

This is a very complex bill. I have not read every line of this bill, but I want to refer to the section we have to deal with on a regular basis in our constituency offices. That has to do with the section relating to the minister's ability to suspend the normal process and let people come to our country by way of a ministerial permit. Quite often the minister will act on the advice and information presented by a member of Parliament.

There have been many, many times in the last four years where the minister of immigration, including ministers previous to our current minister, the hon. member for St. Paul's, when minister's permits were approved for those people whose names were given to the minister by members of Parliament.

What concerns me about this bill is the fact that we are delegating more responsibility to the front line officials which would create a situation in which a member of Parliament would not be in a position to even put forward a request for a minister's permit on humanitarian and compassionate grounds.

I have known of many examples where officials in the department have either not reviewed all of the information in their possession or even if they did have the whole file at times their judgment was debatable. Hence, as members of Parliament we would present this to the minister's office and often we could get that decision reversed. This bill works against the ability of members of Parliament, especially those in urban areas, to do their job properly and effectively.

There is no mention and no recognition in this bill for members of Parliament to have any special support or ability to appeal on behalf of those people who have been rejected by senior officials.

I notice that section 121 states:

> The Minister or the Deputy Minister, as the case may be, may authorize such persons employed in the public service of Canada as the Minister or Deputy Minister deems proper to exercise any of the powers and perform any of the duties and functions that may be or are required to be exercised or performed by the Minister or Deputy Minister, as the case may be, under this Act or the regulations, other than the powers, duties and functions referred to—

Then there is a list of subsections. It concerns me that we, as elected members, are often put in situations in which we use our judgment as to whether or not a particular person has the credibility and conditions to be allowed to stay in Canada on humanitarian and compassionate grounds. This section works against our individual ability to try to use our own offices to try to help these people. That is my interpretation of the bill.

I had a situation just three weeks ago in which a senior business person was coming to this country. He had been here three months previously. We worked hard to get him into the country. He came from Bangladesh, but this particular time because he came via New York and he could not speak English, the officials in our immigration section in New York wanted to turn him away.

I called as the member of Parliament appealing to let the man in. Business meetings were already arranged. I finally had to write a formal letter guaranteeing that if I did not make sure this person returned, I would give up my seat. That was the only way I could get this person into the country. In other words, the immigration officials were not respecting the judgment and the information we had on our end and they were quite cocky about it.

• (1510)

Nothing in this bill shows any respect for the individual judgment of the representations being made in the individual offices of MPs. I continue to voice my objection to that particular aspect of the bill.

Mr. Ross Reid (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I have been anxious to respond to my friend from Broadview—Greenwood. There are two points in particular to which I would like to respond.

I will come back to the question of the role of the member of Parliament as protected by the legislation or inferred by the legislation in helping determine immigration cases. I think that is something we want to discuss in this House as a principle, particularly as we look at long lines of people who want to have immigration dealt with either through family unification or other processes.

The comment my colleague has made a number of times is that the government has rejected all opposition amendments. I want to point out first of all that the legislative committee in sitting for 61 hours discussed what at one point was about 200 amendments.

As the government brought forward its 70 amendments, some of which were technical, a number of which responded to concerns of witnesses and opposition members, opposition amendments were withdrawn. They were withdrawn with consent by the way which did not need to be given, under which there was no obligation for the government to operate to give that consent in allowing them to be brought back into this House.

It is important to recognize that the minister in his speech and in the process has acknowledged this in terms of amendments. The government has responded in a number of areas setting dates for the tabling of the immigration plan and changing it. With respect to provisions on mobility, terms and conditions, and obligations, changes are provided to that.

There is the whole question of fingerprinting information. There is the question of ability in carrier sanction, protection for medical reasons against public health and safety, offences being offences in Canada and abroad. There is the role of the minister being reinserted in terms of people being returned from Canada and in terms of certification.

We have amended the whole question of detention reviews. The provision concerning senior immigration officers in some areas has been tightened up. Confidentiality of hearings has been tightened up. We have responded to the question of split decisions and the whole area of permanent residence and war criminals.

To say that the government has not accepted any opposition amendments is not correct and I just wanted to correct that. The government spent 61 hours in the legislative committee, its members of the committee, in terms of negotiating with members of the opposition addressing their concerns. Government was there and was responsive.

I want to respond to the question of the role of the member of Parliament with the minister. First of all, the government has made it very clear that the question of the humanitarian and compassionate grounds process is not visible and therefore is not properly accessible. Gordon Fairweather has been asked to design regulations and consult on how to make that process accessible because that is the place my colleague and I access the system for refugees.

If my colleague from Broadview—Greenwood is suggesting that as members of Parliament we should have a priority position in terms of our ability to affect the immigration procedure I do not think he would find support for this. Thousands of our constituents—more his than mine—have been waiting for years to have the system bring people into this country to reunite families. If he is suggesting that we should have a system, not necessarily in a priority, but a system more capable of responding to us and that the role of political interference in the system should be enhanced, I do not think there would be support for that across the country.

Yes, as representatives of the people we do have a responsibility to make the case. But to expect that we would have a role that would influence the system to benefit one over the other is something we should be very cautious of, particularly in the use of minister's permits. I would love to hear his comment on exactly that point.

Mr. Mills: Mr. Speaker, I appreciate the member's response to the point of amendments. I was quite specific when I mentioned that my colleague from Notre-Dame-de-Grâce had specific amendments which were rejected last night one by one. Not one of them would have hurt any aspect of this bill. Every one of them would have improved it. That is the point I was making, that there was a rejection of an honest attempt to improve the bill.

I want to go back to the point about the role of members of Parliament. I am not talking about political interference, but when I have a woman in my constituency office who has been a victim of violence, when she shows me a file that states a senior official wants to deport her and put her back into a situation where her life is in danger, as a member of Parliament I should be able to assess that crisis situation. I can tell you that it was not the first letter, the second letter or the third letter that brought results, it was when the member for Trinity—Spadina, the member from Hyde Park and myself—and we all know the case that we are talking about—did a full frontal assault on the government that we got some action.

That was just one case. I can tell you, and I say this with respect, in downtown Toronto we have a lot of immigration problems. We have situations where there are family trust opportunities, where people have a business. They expand and start another one and want to bring in a relative from another country. It all looks legitimate to me, but they get rejected by the officials. As a member of Parliament, what the heck are we here for if we are not to take those cases where people feel they are not getting proper justice from the Public Service?

I have a situation right now where I have written to the ambassador in South Africa about a young married couple, the Korolia family. The daughter is Canadian and married to a South African gentleman. She is pregnant. The father who is back here runs a successful business. He has offered him a job so the family can be reunited but the department has rejected giving him a work permit.

When that person comes in my door and asks for help, are you telling me I should say: "I am sorry, I cannot help you. Go and deal with the bureaucracy."

Mr. Reid: I did not say that.

Mr. Mills: No, but you started off by saying that I am trying to interfere with the system. You are darned right I am trying to interfere with the system.

If the act is delegating to unelected officials the ability to make judgment calls without any kind of a judicial process, then surely to goodness they should understand that MPs, who are publicly accountable to the people who either support or not support that MP, should be given some respect.

I would suggest to the government that by and large I am with most officials in the Public Service of Canada all the way. I do not care whether it is in business or in government, but every now and again you run into some bad apples. There is nothing more frustrating than when you run into a bad apple when you are trying to represent somebody in a legitimate case. I do not care if you are an MP, you get crisis situations and that is what we are here for.

I just wish there was some kind of directive in this bill, as there is designated some kind of special judgment in respect to officials, that when members of Parliament are representing special cases, fully accountable, that they be properly heard on behalf of their constituents. I do not think the member for St. John's East really objects to that.

Mr. Raymond Skelly (North Island—Powell River): Mr. Speaker, I would certainly like to identify with the remarks of the member for Broadview—Greenwood.

On the issue of a member of Parliament having access to that process, the process is so basically outrageous and unfair that there needs to be some public representation made to the minister's office.

I just did a quick consultation with several of my colleagues and I cannot identify with the remarks of the hon. member when he said that the minister's office deals in a fair and equitable way with interventions from members of Parliament. I would use the example of many Indo-Canadians of the Sikh persuasion who live in the area that I represent. Parents are trying to bring children into the country. It takes years and often fails.

• (1520)

In the case of two brothers, the mother had gone to India. As tradition requires she had gone to arrange a marriage of the one who had become engaged. The majority of the family were all Canadians. The other brother gave up because of the outrageous time period. He wound up marrying the woman in India and the individual who became engaged is still waiting to have that ceremony conducted in Canada.

A Sikh member of our community, a Canadian citizen, and his wife had gone back to India. He tried to come back to visit his family, the majority of whom are British Columbians and Canadians. The immigration department refuses him a visitor's visa. It says: "You cannot visit. We think you are going to try and bring your wife

into Canada to stay here". They had been long-time residents.

This process is so outrageous, it stinks so badly that it needs the intervention of members of Parliament to make sure there is fair play and justice. There ought to be a visa office in the Punjab. It is so overdue just on family unification and basic decency that this government ought to be putting that visa office in.

Mr. Mills: Mr. Speaker, my response to the member will be short.

I have a situation in my riding today and I am almost embarrassed to admit that I cannot do anything about it.

A Greek family has been here for 11 years. He got bad advice on his landing papers. He has two children, nine and eleven years old. Three weeks ago, after many representations from my office, the government deported the mother and family. Now the kids are living as wards of the state. When we have an immigration system that is acting that way and rejecting solid political advice, there is something wrong with it.

Mr. Harry Chadwick (Bramalea—Gore—Malton): Mr. Speaker, before I begin, I would like to indicate that I am splitting my time with the member for Surrey—White Rock—South Langley, five minutes and five minutes.

The Acting Speaker (Mr. DeBlois): The hon. member has 10 minutes maximum with five minutes questions or comments.

Mr. Chadwick: Mr. Speaker, I am very pleased to have this opportunity to debate a topic of such importance to the future of our immigration program.

The objectives of Bill C-86, the reunification of families, the protection of refugees and the promotion of economic growth were in fact in danger of being seriously compromised by the system's increasing inability to handle the convergence of pressures and by the related erosion of confidence Canadians were expressing toward our immigration programs and objectives.

In this climate, the government understood from the outset the urgent need for a constructive and open examination of the methods, processes and criteria we use to select and bring people to Canada. We understood as well that this examination had to involve as many Canadians as possible. That is why the government undertook the most broadly-based and yet focused consultative and educational immigration strategy in Canadian history.

These open-ended consultations dealt with such critical issues as the number of immigrants we would accept over a five-year period to meet our domestic needs and international goals; the speed with which we should bring immigrants to Canada in the context of our ability as a nation to handle the increase and the best way to integrate newcomers into our society.

As well, the past eight years have seen other significant developments, including a gradual and controlled increase in over-all immigration levels, a parallel expansion of the services essential to integrating new Canadians into our way of life and a long-overdue overhaul of our refugee determination system in response to historically unprecedented pressures on the program.

These amendments clearly provide Canada with the tools to manage change in the 1990s. A common thread running through all the consultations, deliberations and debate on Bill C-86 has been an acknowledgement of the need to manage our immigration program more effectively, with greater fairness and with greater relevance to the needs of Canada as a whole. This is what Bill C-86, as now proposed, sets out to accomplish. Specifically, the proposed amendments offer a rational, workable formula to manage change in three distinct but interrelated areas of immigration policy.

First, Bill C-86 provides the means to further streamline our refugee determination system to ensure that fair decisions are rendered and rendered quickly.

Second, Bill C-86 would better protect Canadian society by tightening enforcement and control measures to defend the integrity of the system and protect the public from those who would abuse our programs or break our laws.

Third, under these amendments we could select effectively those who come to Canada through improved management of the categories and numbers of immigrants, thus ensuring that immigration continues to contribute to our social development and economic prosperity.

If I may, I would like to touch very briefly on each of these three crucial areas.

I believe everyone here today and most Canadians understand the need to streamline our refugee determination system. Quite simply, the time required to process claims and make decisions is still too long and that is not fair to legitimate claimants.

The speed with which we can remove rejected claimants remains slow and that erodes the effectiveness of the system. The consequence of all the delay is further pressure on costly support programs and that certainly is not fair to taxpayers.

The co-ordinated changes proposed in this bill will serve to create a more workable, clear-cut and streamlined refugee determination system. These changes include, among others, the elimination of the first level or credible basis hearing which was proving ineffective, improvements at the immigration and refugee board level to accelerate processing, cuts to administrative costs to allow genuine refugees to more quickly become part of the community, new procedures to expedite the landing of convention refugees with cuts of up to six months in the waiting time for landed status, and more timely, effective and fair removal procedures in cases where claims have been rejected.

The impact of these changes, including faster family reunification and a more efficient decision-making process will only enhance the special position Canada has in the world for its work on behalf of refugees. Complementing these changes, Bill C-86 proposes measures to better protect our immigration system from abuse.

At our borders we will give immigration staff the power to search individuals and to seize documents and vehicles used in smuggling operations. We will expand the authority of our immigration officers to fingerprint and photograph refugee claimants and increase the penalties for people caught smuggling. The net result of these efforts will be to more clearly distinguish between those who should benefit from Canada's generosity and those who should not.

Clearly, in a decade that promises continuing international volatility, large-scale movements of people and economic uncertainty, the ability to more effectively manage our immigration system is a priority. The changes Bill C-86 proposes will ensure that our immigration program can deal with change while fulfilling its time-honoured role as a contributor to national growth and prosperity.

Mr. Benno Friesen (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I have taken part in debates like this over the years. In 1975 I was a member of the green paper committee to examine the total reorganization of immigration legislation at that time. It was a major project because it had not been done for many years. The government of the day did a thorough job issuing study papers and providing background papers on the subject of immigration.

• (1530)

I also worked on this matter in 1987. I was the parliamentary secretary at the time when we were dealing with Bill C-55 and Bill C-84 and now as a member of the committee that dealt with this matter on Bill C-86.

I have had some continuity on the subject and I would like to offer some of my observations. As I say, in 1975 when we were debating this legislation and it came into effect in 1978, one of the fundamental tenets of that legislation was the determination on the part of the then Liberal government—and I agreed with its determination—that Canada is a sovereign country and coming to Canada is a privilege and not a right and that we as Canadians need to preserve the authority of our sovereignty.

In that mix we should never forget our commitment historically and to the present and contemporary days to compassion for those who have not had the advantages that we have today and to preserve those. In those days we designed refugee legislation that was to accommodate a flow of 300 refugees a year. That was about 1977, 1978.

The House will remember what happened when the boat people and their trauma came to our attention and Canada opened its gates. After that the idea of refugees took a dramatic turn in our consciousness in Canada. We have continuously wanted to maintain that posture of compassion and understanding, openness and hospitality to those people who are genuinely in need.

When we redraft legislation we have also to take a look at the process. The government drafts legislation on the basis of the information it has, on the basis of the agreement of its caucus. It drafts the legislation and then it is exposed to the opposition. The opposition does what it ought to do as good opposition parties do. It exercises its role in examining and opposing those sections that it

believes are wrong. Any good opposition will do that and it will do it with all of the energy it possesses.

To give maximum exposure, to make sure that process works, we move into a committee system and, to speak frankly to it, in most cases the witnesses who come before the committee are brought there by and large, not exclusively, by members of the opposition. That is fine.

It is only as you sharpen the examination by people who oppose certain sections that you refine a bill. If everybody agrees you get very little refinement. I applaud that system.

Members of the opposition in this bill did an excellent piece of work. I commend the member for Notre-Dame-de-Grâce and the member for Spadina with whom I sat in committee who were thorough and persistent and who put forward amendments. They did very good work and I enjoyed working with them.

They opposed certain sections. They did not always oppose and that is what I appreciated about their work. They opposed where they thought they should oppose and agreed with those sections they thought were positive in their view.

If the member for Edmonton will be quiet for a minute I will carry on.

Mr. Kilgour: Save us the clichés.

Mr. Friesen: I have learned a few from you.

The committee did its work but in order to bring these witnesses we brought witnesses who opposed but what struck me in going through these processes, through these several stages that I have seen in my time here in Parliament, was that the same witnesses appeared several times and said the same thing each time, even though we were adjusting previous legislation.

For example, here is what Mark Schelew of Amnesty International said in 1987 when we were debating Bill C-55: "It is an about-face on Canada's humanitarian record that may place people fleeing persecution in jeopardy".

In 1992 when we were debating revisions to Bill C-55 he said: "We strongly urge you to stick to the status quo".

What made the difference? In 1987 he opposes Bill C-55 and in 1992 he supports Bill C-55 and he says: "Do not change it. Keep it where it is. Do not do what you are going to do now in terms of adjustments".

I suggest that if we are going to have witnesses, they ought to be credible. To be credible, one ought to say something consistently. If one believes it in 1987, one ought to believe it in 1992, unless something has changed and it did. Reality set in.

While he condemned it in 1987 as being the end of compassion, he saw that in the intervening years between 1987 and 1992 the bill actually worked, that the refugees did come, that they had access, that the system was operating and that refugees were lining up to come to our shores. It was not exactly what he had thought it would be in 1987.

The Canadian Bar Association came before us this time, members like Lorne Waldman of immigration fame. The Canadian Bar Association says the system is working. It says it in 1992 and Bill C-55 has done all right. Lorne Waldman does not always agree with that and Lorne Waldman in 1987, when he was opposing Bill C-55, said: "The long-term aim of the immigration department is to eliminate all refugee claims within Canada. The government has spent millions of dollars and innumerable hours consulting on this problem and everybody's recommendations have been ignored altogether".

It has not been so. Since when have we turned off the taps regarding the refugee flow? What Lorne Waldman said in 1987 did not happen in the ensuing years. There is an old adage that if a prophet prophesizes and it does not come true, you ought to get rid of the prophet, at least the prophet's standing.

We had Gunter Plaut appear in 1987. He said: "If C-55 would have been applied to me when I was coming to Canada, I would not have been allowed into Canada. In 1992, I have read the bill several times and sometimes it occurred to me that it would be easier if the clock were turned back to admit Nazis to this country, as we have done in some profusion, than to admit those they persecuted".

In 1987 he says not to do C–55 and in 1992 says that it would be easier for Nazis to come in than for Jews. Can we accept the credibility of witnesses who say things like that, first of all that are not accurate and second that do not happen? As I say, the old adage is if the prophet prophesizes and it does not happen, maybe we ought to examine his prophecy status.

More than that, I want to point out that for all of the doom and gloom that has been sent our way regarding Canada's position on this issue, it has not come to pass. I point out that in 1987 the member for Vancouver—Kingsway at that time said this is a government that has cut back on immigration. When we came into office the flow was 89,000 and today it is 225,000 and he says it has been cut back.

When we want witnesses we ask them to be credible. To be credible they have to say things that are consistent. The fact is that Bill C–86 will strengthen our immigration system, it will keep out those people who are not interested in the welfare of Canada. I speak specifically to section 19(1)(k); people who are not interested in Canada's welfare but have other ulterior reasons for coming here. It consolidates Canada's sovereignty.

I confirm what the Liberal government passed in 1975, that Canada is a sovereign country. It is a privilege to come to this country. We want to extend that privilege to as many people as possible, to those who have the welfare of Canada at heart.

• (1540)

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, I thank the hon. member for Surrey—White Rock—South Langley for his comments which were mostly accurate, especially the parts that were so favourable to the opposition members now and the opposition members when he was in opposition.

However, I would ask him if he would acknowledge two points that he did not make but that were relevant. When people condemned Bill C–55—this was one of the major objects of condemnation—it had the principle of safe third country in it. When the witnesses came before us, that safe third country principle had not been amended.

It was partly amended within the committee and I believe the member will remember the day I came over to ask whether the word "any" could be introduced there. I am told that word has made it a great deal better. I do not know whether the member thinks so.

What I am pointing out is that the condemnation was expressed before the amendments. Second, it was expressed before the minister of the time decided not to proclaim that safe third country section of the bill so that all the people who might have been sent away under the provisions of that were not sent away. They were allowed to have their claim examined.

Is it not true that the present bill restricts the safe third country provision further as it does not include the caution that was included five years ago; namely, that the person shall not be sent back there by the IRB if he or she has a well-founded fear of persecution in the country where they had refuge?

Those are two circumstances that the hon. member did not mention but that considerably changed the minds of some of the people I know who were concerned with refugee law and I am wondering if he would comment on those.

Mr. Friesen: I would simply say to the member from Spadina that there are a lot of things about the bills that I did not mention, both Bill C–55 and Bill C–86.

I would say also that I would agree with him that he has proposed amendments that have perfected the legislation, and I think members of the department would agree. I do not say this with any sense of gratuity or anything else. I say it and I have said it to him privately that what he has done in committee has been very good work.

When he says that he included the word "any", I take his word for it. I believe he has made some good suggestions to the legislation.

Mr. Heap: With your help.

Mr. Friesen: Enough of the accolades now, right Dan? With regard to the safe third country concept, the difficulty with discussing this is that we lock ourselves into time periods. Safe third country was a concept which in 1987 and 1988 had an impact that it does not have today. The world has changed.

Take a look at the iron curtain, take a look at what is happening in Latin America and in all other places in the world that have undergone very large changes. I subscribe to the safe third country concept because underlying the safe third country concept is the doctrine of

refoulement on which the United Nations has spoken very straight forwardly and very eloquently.

I might say parenthetically that the Canadian representative of the UNHCR has endorsed this legislation, as the member will agree. The doctrine of *refoulement* is at the heart of what that convention is about and safe third country incorporates that concept so that refugees who had a genuine fear of being brought back into the area of persecution from which they had come should not be and would not be sent back.

Mr. Raymond Skelly (North Island—Powell River): Mr. Speaker, I would like to make some general comments about the legislation before us today and about the operation of immigration facilities in particular.

It is interesting that over the years it has been one of the most difficult agencies for people to deal with. It also is one of the most poignant and heart-rending experiences when in a constituency office you are dealing on a regular basis with people who have come to Canada, set up homes, built businesses, got jobs and contributed to this country and then they attempt to reunite their families by bringing them to Canada.

Over the term I have been here, the government has professed to put family reunification up as a priority. I for one have to say that this is not a priority the way it is working when there are long, long separations between family members, between parents and children. When that occurs, it is very sad indeed. The first item is the problems that are as a result of enormous bureaucratic red tape. This is an agency that is absolutely overwhelmed. The resources to handle these cases in an expeditious manner are not in place and it becomes very difficult to tolerate. Tempers flare and there is a kind of sadness that pervades the entire process.

I have been working with a family on the sunshine coast for going on eight years where there has been an attempt to reunite a mother with her two children. Of course, as time goes on the children qualify at one point and they do not qualify at another. There are extensive delays. That occurs in the Philippines. There definitely needs to be some additional resources, especially applied to family reunification.

The most difficult area I have found is working with Indo-Canadians, Sikhs who live on the west coast of Canada, immigrated to this country, made a tremendous contribution in terms of the work and to the community where they live. The people are hard-working, industrious, well thought of. They try to bring children into this country and there is just an enormous period of time before they are able to effect those reunifications.

In a lot of cases some minor medical ailment prevents the reunification altogether or there is a situation where the process drags on so long that because of the age of the child, the reunification cannot be carried out.

The member for Broadview—Greenwood mentioned an outrageous situation of an Indo-Canadian and his wife who came from the Punjab many, many years ago. He had become a citizen of Canada and his wife had not. They had raised their children in Canada and they are all Canadians. He went back to India after he retired. He wanted to pay a visit to his children in Canada and he was denied the opportunity. He could not even get a visa. The argument by some immigration officer who handled the case was: "What if he tries to stay in Canada. He is a Canadian and if he tries to leave his wife in India, that would be an outrageous thing". Such thoughtless and inhumanitarian approaches to immigration outrage everyone who touches that case. It is almost an argument that the motivation is racism that is putting those decisions in place. It goes on and on and on. There are many, many cases in a similar vain. It causes enormous frustration.

When you are dealing with the minister's office you invariably wind up with the folks for immigration who have been assigned to that office. I am absolutely assured that they handle what they can but they are overwhelmed by the task.

• (1550)

This is especially true for those that have been assigned to handle the work of 290-odd members of Parliament whose constituents are constantly raising these kinds of concerns. In that process of being overwhelmed, the file falls down and then it goes to a busy immigration office somewhere and it falls down. Months

and months go by before you hear back. Usually it involves another process and more months go by.

It is an extremely frustrating situation for members of Parliament and for the families involved. These are not the marginal cases where there really is some question or doubt. These are legitimate family members who are known in the community, whose children are known and established in another area and it is simply a push for the reunification of that family.

For example, we have had situations with Chilean refugees where we could not make no headway. At that time it was not the Conservative government that was in power. It was a Liberal government. The minister at that time was the member for Winnipeg South Centre. The office was as difficult if not more difficult to deal with when the Liberals were in power. I guess it is probably the same thing; understaffed, no resources and maybe a difference in attitude if it is an Indo-Canadian family rather than another family that is trying for unification.

I recall when the member for Winnipeg South Centre was the minister of immigration how outraged the community of Campbell River in British Columbia was. There was a longstanding Chilean family who had come to Canada because of the tremendous conflict in Chile. They had established themselves working in the mines in this country and eventually in western mines outside of Campbell River. It wound up that a brother and his family had to leave Chile. The only place they could get to was Switzerland. They were being threatened with expulsion from Switzerland back to Chile.

It was virtually impossible to get any kind of co-operation from that minister's office or its staff. They came up with 10,000 reasons why that family could not be removed from Chile. One of the Chileans who worked in the mine there actually happened to be a high ranking officer in the police before he left Chile. The father used to be a general in the police force. When this family left Chile, the friends within the police force had said: "Hey, it is time to get out of this. Your union activities are not putting you in a very favourable light here and you are in serious personal danger".

It was a clear indication to him from his friends that they were not going to have a choice. Bad things were going to happen to that family. That family was out of there in a shot to Switzerland. We fought like crazy. Finally almost every person in the city of Campbell River had to sign a petition and letters and go after the minister to say: "We know these people. We respect them and they are hard working members of our community. Family reunification is a legitimate thing to do". It took forever, but eventually that happened. This is a ridiculous thing to have to do.

These people were in clear personal danger. They were entitled to come as refugees. They had a very large family who were prepared to support them. That individual today is working in that mine as a constructive member of the community, well thought of and held in high regard like the rest of the family and does a tremendous job. Every person in that community who had known that large and extended family knew that would happen. Yet, you could not convince in any kind of a timely way the immigration office to do that.

Certainly the minister is busy. I do not say that in a derogatory way. The staff are overworked, but there are some very useful things that could be done. One of them is to provide more resources in the office so that when a member of Parliament's complaint is brought up, it can be handled in an expeditious way. These are not frivolous complaints.

The second thing is that there really does in some areas of the world need to be additional Canadian immigration or visa offices. The Punjab is an example. You get this crazy situation where it is thousands of miles to travel from the home village to New Delhi. You get to New Delhi. It takes forever to deal with them there. Month after month after month goes by. A medical that was valid at one period of time is no longer valid at another. By the time you get your appointment, your medical is gone. There should be a visa office there where the resources are easily within reach. It would certainly cut down the time if we are serious about reunification and we can put some of these families together that have been waiting for years to get together.

It is a simple matter of resources. I know the government has its program of cutting of government services, user charges for it, but these in many cases are really inhuman when it comes down to the family level.

There is a person in Campbell River right now waiting to marry a woman for the last couple of years to whom he is engaged in India. His brother finally gave up the ghost, managed to go to India and marry the woman there without any of his family present but felt that he had to do it. He expects his wife to be in Canada much sooner than the other.

We have got some tremendously difficult situations where families cannot even visit. I have three quick suggestions that could make this a lot easier and a lot more humane. The first one is the government would respond. The government and the minister of immigration's office should respond quickly and effectively to the interventions of members of Parliament. These are not interventions for political purposes or to jump the queue. They are often to try and put parents and children or brothers and sisters back together. Those are the ones that really motivate people to act and make them extremely angry when they do not. Those interventions should be facilitated.

The second thing is that in the minister's office, and I bear no grudge against the people who work there, I think there needs to be more of them so they can move through these interventions more quickly.

If my riding is typical of many other ridings, there seems to be enormous log jams in the Philippines, the Punjab and India as a whole. There really does need to be some resources put into those areas so that visas are issued to parents wanting to visit their children, family members wanting to visit Canadian citizens. They are citizens like any citizen of Canada and yet they are being deprived of the opportunity to visit.

Nobody from Britain has this kind of difficulty. Nobody from Europe or any other area of the earth has this problem. In my experience, these two locations are a critical element.

Another thing seriously concerns me. I would just mention this. As we watch people leaving certain countries of the world, I wonder what is being done. I do not have the information. I raise these simply as flags. Certainly the tension and the difficulties in South Africa are creating enormous news today. We have watched people who we would consider as war criminals being given amnesty. Certainly they are not going to be able to live in their own communities.

I would expect that we are going to get a situation where there is an enormous demand for a place like Canada to accept these individuals. I would ask what is being done to make sure that we do not accept these people as citizens in this country.

We have the situation in El Salvador in Central America where people who have committed just horrible offences against humanity have been given amnesty by the government which inflicted many of these problems. I wonder what is being done to make sure that we do not get these individuals as citizens in this country. There are indications that process is under way and that has already happened.

With those remarks let us get greater attention paid to family reunification problems within the minister's office. Let us get more resources within those offices and in certain key bottlenecks where family reunification is probably the highest priority in immigration, concerns such as the Punjab and the Philippines. Let us get some resources into that area so that these visits and these reunifications can be obtained, where families can maintain contact and if possible be brought together.

Mr. John Harvard (Winnipeg—St. James): Mr. Speaker, I would like to offer a few comments with respect to people from far away lands who want to visit Canada because you really wonder whether some of these cases are being handled fairly.

I know that immigration people are overworked, there is understaffing, but there are some cases that raise serious questions.

• (1600)

For example, there is a couple who has lived in my riding for more than 20 years. They are of Pakistani origin. They want to bring a nephew to Canada, just to visit for a few weeks in the summer. To secure that visitor's visa they are prepared to post a bond and pay a two-way aeroplane ticket to get the nephew to Winnipeg for a visit.

However there is no way they seem to be able to convince the minister's office and the Canadian authorities in Pakistan to provide that visitor's visa. They point out in a telex to me that the boy is about 15 and only in the ninth grade, although I do not understand the relevance of that. He has never travelled before, and I do not understand the relevance of that. The father of the nephew earns about $230 Canadian a month. I know it is not a lot of money for Canada but over in Pakistan I hear it is not that bad.

The Canadian authorities in Islamabad, Pakistan, point out that given the economic situation, the lack of any previous travel and the commonly held belief that education and future opportunities are better in Canada, the visa officer was not convinced the boy would only be a visitor to Canada. We really have to wonder whether that is fair adjudication. Would they treat a case in this way if the nephew lived in France, Germany, England, Iceland, Sweden or Norway?

This family who lives in my riding is absolutely crushed. They consider themselves to be honourable and honest people. I want to read just a line or two from the letter that the uncle wrote to me: "Indeed myself and my wife love Kashif", the nephew's name, "very dearly and my only wish is to have him visit and experience the adventure of travel and see this country which would be an educational experience for him".

I have dealt with this case for months and I cannot get it moved. I just find there is something wrong. This is a young boy. The uncle and aunt simply want to bring him to Canada for a few weeks. They are prepared to offer anything to underline the fact that they are honest and not trying to play any games.

I feel that as a member of Parliament I have to bring this forward because I just do not think it is fair. It is these kinds of cases that make us wonder what is really going on.

If I could ask a question, I would like to ask the previous speaker whether he feels these cases are common in the area he represents.

Mr. Skelly (North Island—Powell River): Mr. Speaker, I never seem to remember everything that has to go into a speech, but I identify completely with the remarks of the hon. member for Winnipeg—St. James.

Over the 13 years I have been here I do not know how many times we have asked immigration if we could put up a bond and to name the amount; we would get numerous people in the community. We know the families well. They are honest and have integrity. They would never break their word. Yet immigration will not even let a nephew or another relative visit. Many times I have offered to put up a share of that bond and have said: "I know these people. I have known them for 20 years. They are an honest, fine and upstanding group of people. I would trust them with anything". Yet immigration accuses them of conniving and trying to bring people into Canada illegally.

If there were to be another addition it would be a fourth item. If nothing else, let us put up a bond for people who we know and are trusted members of our community. We would put up the bond to endorse that these people are honest and upstanding and that we know they will live up to every letter of the conditions laid down by immigration.

I am very thankful the hon. member raised that, it is such an important point.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I am pleased to be able to comment on this bill.

We have seen this afternoon a theme developing on the examination of immigration problems in Canada that a disproportionate amount of time in the office of every member of Parliament is focused on the problems of immigration and visas and the heart-wrenching stories from constituents and families trying to bring in their relatives from other countries. I am hearing echoes in this Chamber from my colleagues on both sides of the House.

The system is not working. What is at stake is Canada's reputation as a humane and caring society. If this government cares for Canada's reputation in that regard, I urge it to reallocate the resources necessary to do the job properly.

I know immigration officials in my constituency are overburdened. I phone them on a regular basis and usually there are more clients in the office than there is staff. If we have anything to do with that, as members of Parliament we have to expose this inadequacy. The morale in the immigration department is at a low ebb, and quite rightly so. They are the ones who are being targeted for all the criticism. It is not the immigration officials; it is the government that should be targeted for criticism.

Canada has a reputation of being a humane and caring nation. We do need immigrants of the kind that has been described in this House, hard working people. We do need a humane policy where families can be reunited even for a visit.

I know of two sisters originally from Sri Lanka who wanted to bring an auntie over who had served as a maid. But if one is not a white Anglo-Saxon, one is suspect; that may not be the reality but that is certainly the perception. As a Canadian member of Parliament, that

perception eats at me because that spectre of racism is something that should be fought on all fronts.

I urge this government to reallocate the resources to address the problem in a real way so that Canada's reputation will stop being tainted.

Mr. Skelly (North Island—Powell River): Just to terminate my remarks, I identify as well with the remarks of the previous speaker that the immigration officers in the field are overworked, absolutely overwhelmed by an incredible task. There are many attempts at fraud and attempts to circumvent Canadian law, but in the process of defending that with resources that are too few and too far between a lot of honest cases get thrown to the wolves.

The point raised by the member for Winnipeg—St. James, the possibility of being able to put up a bond to allow somebody to come in on a visit, just a visit to keep family contact together, would be useful. More resources, greater attention to things like family unification items with the pleas of members of Parliament, visa offices and extensions of the visa offices into areas such as the Philippines, the Punjab and other hot spots with a tremendous build-up and where people get lost on the waiting list, would be very useful additions.

It would make honest Canadian citizens a lot happier in a more humane process.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, if possible, I should like to split my time with another member of my party. I will not use up the total time allotted in saying a few words on this bill.

I am pleased to have the opportunity to speak. It is a very important piece of legislation, perhaps one of the most important pieces of legislation Parliament will pass. It touches an area that goes deep, to the heart of what we think of ourselves as Canadians and what we are as a nation.

I would start off by saying that this country has had a wonderful history of helping people and welcoming people to its shores. When I think of all the people on earth, I do not know which country has been more open and more generous over the years than the people of Canada. When there have been problems throughout the world, and there have been many, Canadians have responded.

I remember when I was a teenager there was a brief moment in the history of Czechoslovakia under communism when people were able to escape from that country. I remember many people coming to Canada and being welcomed. They were legitimate refugees escaping a tyrannical system in their own country and Canadians were glad to help them out. There are many examples in our history where people fleeing persecution have been welcomed to Canada's shores.

• (1610)

One thing I believe about Canadians is that they do not want their hospitality abused. They want a system of immigration and refugee determination that works. There is a perception—and I believe it is a correct perception—that the system has been breaking down in this country, that the system has not worked well.

Several years ago Bill C-55 was brought in by this government. It was designed to deal with a number of aspects of Canada's immigration and refugee determination. Many of the same arguments I have heard in this Chamber for the last couple of days I heard then. People were saying that Canada was closing its doors and that Canada was turning away legitimate refugees. I remember at the time having to look at the bill and thinking it was a reasonable response to a very difficult situation. As I say, I do not think my comments cooled down any of the rhetoric on either side.

I remember being at a meeting in Welland with the previous Minister of Employment and Immigration, now the minister of health. There must have been 20 or 30 people outside protesting with signs and handouts that Bill C-55 was going to do a number of terrible things.

All I can say is that did not come to pass. The bill was a reasonable attempt to deal with a very difficult problem. I would suggest that we have the same thing today with this bill. I do not agree with the critics who say that Canada is turning its back on legitimate refugees and that Canadians are setting up a hostile environment for people who want to come to this country.

It is just the opposite. One very frustrating aspect is the widespread belief, and I believe there is basis to it, that the system is breaking down, that the system is being abused. I get this all the time from individuals very close to Canada's refugee determination system. They will tell me that our system is a mess, is not working and is open to abuse.

As a member of Parliament I make considerable use of surveys I take of my constituents. There is always a danger when we send out surveys that we will skewer the result one way or the other. I cover a wide range of topics when I send out surveys, but it came back loud and clear that the concerns of the refugee determination system were not limited to people very close to the system. It is a perception in my case of the people of Niagara Falls and Niagara–on–the–Lake who write to me and return my surveys. They say there is something wrong with a system that takes so long to process refugees or does not move quickly against individuals abusing the system.

That feeling is out there. These are ordinary Canadians, Canadians who I know are a part of the generous and open country I believe is Canada. I believe it is incumbent upon us to respond to those legitimate concerns.

This is why I have said personally to the Minister of Employment and Immigration when I have seen him that he was on the right track and this was an opportunity to put in a place a system that worked better for everybody.

This is a step in the right direction, removing individuals who are blatantly trying to abuse the system. At the same time it is fair to the individuals who are legitimate refugees. One very frustrating fact that every member of Parliament faces are individuals who get caught up in the system and are waiting for years. The huge backlog militates against them trying to get established in Canada and getting on with their lives.

The minister's bill that attempts to try to streamline the process, expedite the process, is in the best interest of everybody. That is one of the reasons I welcome it. I ask hon. members to remember the arguments that were made five or six years ago with Bill C–55, that those things did not come to pass; that in fact Canada did not close its doors in 1986 and we are not going to be doing that here with this bill.

I was talking with the parliamentary secretary just before this about the subject of safe third countries. I live in a border community. This comes into play in my area.

I can say quite frankly after I was elected in 1984 I had a group of individuals come in to see me, wanting to talk about the refugees from Buffalo. I said: "From where?". They said: "The refugees from Buffalo". I know they have trouble paving the roads over there and I know they have some difficulties, but I never quite heard of refugees coming. I was told the refugees were not exactly from the United States. They were from other countries, came to the United States and then they came to Canada. In my ignorance of the particular circumstances I said: "Why come here? They are safe in the United States". They said: "They don't like it, you know, the Reagan administration and all these things are very difficult for them".

I see Mr. Clinton has indicated in some of his campaign speeches that there will be a change of direction in the United States. I say that without having specific knowledge of the American refugee determination system except to say I believe they have a system. They subscribe to the same laws as we do.

I have to disagree with those individuals who say to me that there is no third party, there is no safe country, we cannot accept people staying anywhere. I always say to them that if the United States is not a safe third country, I am not going to argue with them. They may not like the Reagan administration or its successor but how about other countries of the world? How about Britain? Britain has a system of law that as far as I know is very similar to Canada's. Can they stay in Britain? Is that a safe third country?' I am told the best idea is to have them all here in Canada. All the refugees should come to Canada.

There are many Canadians, myself included, that say no. I can see where an individual is at risk in his homeland, but I cannot go the next step and say it is not good enough if they have been to Britain to have their case decided, or any other country in the world. I cannot buy the argument that Canada is the only place, particularly when some of these critics were telling me six years ago that Canada was becoming a terrible place, that it was closing its doors. I disagreed with them then, I disagree with them today.

I see my time is just about up and I certainly want to share it with my colleague, Mr. Speaker. I ask members of Parliament to talk to their constituents, even talk to the individuals who are legitimately wanting to immigrate. It is a frustrating thing when people say to me: "I'm trying to bring in my relatives from the old country but the delay is horrendous" because much of our resources are directed toward security in the refugee determination system and it becomes very difficult for them to bring in their relatives from the old country.

It is in all our interests to support a bill like this which I believe strikes a reasonable compromise. There are many members of the New Democratic Party and many members of the Liberal Party who say this bill is not reasonable. I think it is. If we turn our mind back to just six years ago, that was a reasonable bill. I suggest this is a reasonable attempt to correct what each of our constituents is telling us is a problem.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I listened carefully to the remarks of the member from Niagara Falls. I just want to say that when he talked about the issue of abuse, I do not think anyone in this House would disagree with him. We certainly are not promoting in any way an abuse of the system, for that matter an abuse of any system.

What we are trying to communicate to the government, as we debate this very complex bill, is the fact that we are being presented with cases on a regular basis where the system is abusing the individual. The judgment that the system is abusing the individual is being presented to us and as MPs, it is our job to make an evaluation whether or not the person is abusing the system or the system is abusing the individual.

• (1620)

I have had many cases where I have believed that the person was abusing the system and I told them that I could not help them. What we are concerned about is when we have a legitimate case and we need a mechanism to plug into that humanitarian and compassionate ground spirit which exists in the bill. We need a system that will react to that in an expeditious manner and respect the judgment that we are making on the individual cases.

Does the member not feel this is a reasonable request, when MPs are being presented with cases and are putting their own accountability on the line concerning whether it is a good case or a bad case? Let us assume that it is a positive one and we go to bat.

Does he not think it is reasonable that there should be some respect, that the system should react to our judgment in an expeditious way?

Mr. Nicholson: Mr. Speaker, the member touched on a couple of things.

He talked about the question of whether in some cases it is a question of the individual abusing the system or whether it is the system abusing the individual.

Let me say that I disagree with any system that takes years for there to be a determination. I agree with that in the refugee determination system, I agree with it in the criminal system and I agree with the idea that justice delayed is justice denied. It would be wonderful if we all lived until we were 300 and would have time for these things.

However, people's lives are short and a reasonable determination with safeguards is what we need. To that extent, I believe that a system that cannot cope within a reasonable period of time is a system that in a sense abuses the individual who was a part of that. I hope this bill will expedite that. I believe it will.

On the other hand, the member has said that he has seen examples. Certainly in my riding of Niagara Falls, from individuals close to it I have heard the opposite, of individuals abusing the system. What we want to do is strike a reasonable balance and that is why I support the bill.

With respect to the last part of the member's comments which he turned into a question: Should the opinions of members of Parliament be respected? Should they be listened to in the system? Of course they should be. We are in the business of trying to help individuals. None of us who has appointments each week in our ridings can escape the fact that people come in to see us and they want help.

They want us to expedite their case. They want us to cut through red tape. They want help from the system and therefore, to that extent, I agree with the hon. member that the system should take into consideration that members of Parliament have a legitimate concern in helping the people who live within their constituency and

that their views should be taken into consideration in the system.

The Acting Speaker (Mr. DeBlois): Before resuming debate, it is my duty pursuant to Standing Order 38 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Ottawa—Vanier, Linguistic Duality; the hon. member for Mount Royal, Employment; the hon. member for Burnaby—Kingsway, Christine Lamont and David Spencer; the hon. member for Davenport, Substance Abuse; and the hon. member for Comox—Alberni, Human Rights.

Resuming debate, the hon. member for St. John's East for 10 minutes maximum.

Mr. Ross Reid (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I take your very subtle hint very subtly.

I find it interesting as we look at the conclusion of this debate that we have come to view the bill from the perspective of the member of Parliament. In most cases I think many of us would have an aversion to doing that. It speaks very much about the role that members of Parliament play in the immigration and the refugee determination system, partly because of the frustration so many people feel, partly because we are seen in many cases as the front line of government, partly because those that need our help with the system have a different type of political culture than we do.

I have been quite involved because of the influx of Bulgarians and eastern Europeans to St. John's and other parts of Newfoundland and I have quite willingly and actively made their case before the minister, before the IRB and certainly before the department in the agency process.

I can tell you with some pride that we have had small but very important results. The one I take the greatest satisfaction from is the Neuman Boykoff case where the minister in the national interest granted a minister's permit.

We have heard a number of comments about the minister's office and the department and their ability to respond. We have over the last few days heard a litany of cases. I too could stand here and rhyme off a series of cases that I am not satisfied with but it is important to recognize that we have a perspective problem sometimes.

The department deals with over one million applications a year from all over the world to come to this country. This year we are expecting to admit 250,000 people. My view on those numbers is well known. I hope it can be increased. It benefits our country, particularly the regions and provinces like mine.

When we look at the concerns and the numbers of problems, it is important that we look at it in the perspective of the volume that is being dealt with, not only inside Canada but by those who represent this country on the front line around the world.

My friend from North Island—Powell River raises some concerns about our ability to be responsive in different parts of the world. It is important that we recognize that not only the flexibility but the initiative to be responsive is one the things that is important and is contained in Bill C-86.

Before I leave the minister's office—and God forbid that I defend the Minister of Employment and Immigration, particularly after what he has put me through in the last five months—but one great frustration the minister's office and the department has is the Privacy Act. A number of times I have found myself standing before the minister making a case when he quite simply was only able to say no to me. I was able to find out after the fact that the base of the case I was making was erroneous. I was factually wrong. The position of the minister and the department is that they are unable to make a case. I have been part of that. I suspect I will be part of it again. However, it is a situation they find themselves in and that we all find ourselves in.

We have heard about the most difficult problems we as members of Parliament face and as members of Parliament we reflect what our constituents see and that is the question of visitors' permits. One thing this legislation does is remove an assessment of the whole family whether they are coming to this country on a visitor's visa or not. We have discussed a series of amendments on how best that problem can be dealt with. One of the problems of setting criteria is that it becomes a condition against what we must give a visitor's visa for. Despite the

fact that criteria are met and we know the visitor may be inclined to stay in the country, we are not able to say no.

One of the better suggestions came from my colleague from Scarborough—Rouge River who talks about the bond. However, one downside is that the bond becomes something that is either not able to be collected upon or becomes a fee. I believe there is a nub there that should be pursued. People that want to come to this country are repeatedly denied access, quite often after coming here successively with no problem. It is something we must be able to respond to over a period of time.

• (1630)

One of the other great concerns that has been expressed is the question of family reunification. That continues to be a concern. We have heard a number of things said about it. There is no question that the ability to process applications more quickly is going to benefit those who have a focus on family reunification. The change in the assessment of applications from a post by post basis to a global basis not only will make the assessments faster for most people, but it will make them fairer. Whether you apply in Delhi or apply in London, your application will be assessed relative to all the other applications, not just those in the post that you have applied to. The busier posts will not demand applicants wait longer.

The flexibility that we talk about is also found in the minister's ability to set up centres of excellence. He has made it clear this will not apply in areas such as family reunification, but it will allow us to move our resources around to respond to the needs of demand, be it in the Punjab or wherever. Perhaps because there is a real focus for investor applicants in a certain area, we will be able to set up a focused processing centre, a centre that specializes in one particular area.

In terms of family reunification, I think it is important to recognize that Bill C-86 says that in the case of refugees, dependent children or family in that sense will be assessed with the refugee. Medical provisions that would normally apply will be waived and it is hoped that will allow for family reunification of refugees in as quick a period as six months.

There was a comment a little bit earlier that involved the question of race and ethnicity and preference in the system. I thought I did not need to remind this House about the application of the charter to the government as it relates not only to people in this country, whether they be citizens or not, but people around the world.

I think it is very important that we recognize the source of immigration into this country. In order of source, they are in January to December 1991 Hong Kong, Poland, China, India, the Philippines, Lebanon, and Vietnam. Seventy-five per cent of the immigrants into this country are coming from Asia, South and Central America, Africa, the Middle East or the Pacific. Three per cent come from the United States and 21 per cent come from Europe. I think it is important that Canadians not have a misconception about the source of immigration and the focus of the immigration policy around the world.

We have heard a lot about this bill. One of the great frustrations for those of us who have tried to deal with this bill is coming to understand how immigration law works and how the law and sections in the act relate to each other. I expressed concerns in the very beginning, particularly about the refugee determination system, and the role of the SIO. I was also, frankly, quite concerned about the appeals process. I expressed some concern about the provisions it would provide for fingerprinting. No, I am not 100 per cent satisfied. I never will be. Frankly, if that was able to be done in the designing of legislation, I would be worried about it.

There is fear whether we can guarantee as best we can refuge to those that come to our shores demanding it that do not have refuge elsewhere that we can give them that, that the system is fair in terms of our ability to make proper assessments about refugees and about immigrants and that we are not keeping people out of this country merely on a whim or on a trumped up reason.

I believe at this point that Bill C-86 is a legitimate attempt at balance, protecting the interests of Canadians and our tradition of responsibility around the world.

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, I have a very brief question for the member for St. John's East. He has referred to the need and the possibility of speeding up applications and processes and so on. I would like to ask him whether he believes that the telephone and mail-in system proposed for Vegreville, Alberta, will overcome the backlogs that I have been told—I do not claim to have seen them—exist in the

Toronto and Vancouver offices where the pilot projects are.

I understand that in Vegreville they will have good supervision, from the Deputy Prime Minister if necessary, but can the member comment on the status of possible backlogs in the pilot projects and whether that new system will work according to schedule.

Mr. Reid: Mr. Speaker, as my friend knows—and I thought he had a legitimate question until he put in the political dig—there are no guarantees, quite obviously.

I go back to one of the first things I said in my comments a moment ago; we tend sometimes to lose perspective. The perspective that I would bring him back to is so much of the application process and the processing is pro forma. I have been dealing with a man here in this city who was trying to have his family come in from Africa. He has to go to Cornwall to physically sit down and fill out the application. Why, I am not quite sure. His response to me was that it was quicker.

I think the process in terms of being able to clear off the majority of the things that can be dealt with and have been done in a system that responds to the ability of the officers to deal with it, when there is no need for a face-to-face meeting, will cut down the time. I think that processing and that process will, in fact, allow us to separate the easy from the tough.

The minister talked about perhaps evolving a system where there would be automatic approvals without any process. Where it is very evident in a refugee determination case that this person is indeed a refugee, you do not need to have a hearing; go straight ahead and avoid all of that problem. I think if we can do that, if we can focus the system such that that which does not need our attention and our resources in any complicated way is speeded up, so that the resources are available for the things that are difficult, that are tricky, that are going to take time, either in terms of work or in terms of thinking, we in this country will be much better served as well as those who depend on that system to do exactly that.

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, the member was telling us he was not going to defend the minister and then proceeded to defend the minister.

Would the member tell us, since my experience has been extremely negative with this minister in terms of granting cases on the compassionate discretion which all ministers have, if he knows just how many cases this minister has approved under his ministerial discretion since he took office. My experience in Edmonton, and I believe it is the experience of members in every part of the country, presumably including St. John's East, is that this minister has been reluctant to allow any case on a matter of ministerial discretion.

Mr. Reid: Mr. Chairman, we may be mixing it up. I know my colleague across the way does not do it deliberately. There is a process for appeal under humanitarian and compassionate grounds to officials in the department. There is also the process that would allow the granting of a minister's permit, which is separate.

I have had a number of cases that I have brought to the minister's attention. On the largest and most controversial, the minister made a decision that was positive in terms of a world renowned sculptor who had come to St. John's and had set up in St. John's, both at university teaching young people and doing unbelievable sculpture in the constituency of our friend from Burin—St. George's in commemoration of miners at the St. Lawrence mine.

What I think is important is that the minister recognizes that the system does not work and has not worked. The key reason it has not worked is because it is not visible and it is not transparent. He has asked the now retired first chairman of the IRB, Gordon Fairweather, if he would design regulations in consultation with the community to provide for criteria against which a humanitarian and compassionate appeal can be made. One of those clearly is the question of changed circumstances. Another is the question of the IRB not being as responsive as it should be or where conditions are the same. These are the sorts of things he is doing.

• (1640)

That is because this minister recognizes that that process and the pressure upon him and his successor and predecessor ministers is something people have a great deal of difficulty with and that process with Mr. Fairweather is in fact in response to the community who has asked him to do exactly that.

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, I would like to begin by making a few comments about why we need immigration to Canada.

I am sure all of my colleagues on both sides of the House as well as Canadians in general will agree that if we are not to allow immigration to Canada, by the year 2011 we will start to see a decline in terms of our present population.

To that extent that will pose a tremendous challenge to both the government as well as to the people of Canada in terms of the shrinking tax base in Canada. Simply put, by the year 2010 we will have almost double the amount of people on the retirement role in terms of people who are receiving pensions. We will have a shrinking in terms of the work force and, as such, we will have less taxes being paid to the government coffers.

That by itself is a good reason why we have to look for means and ways in order to do two things: first, continue to provide the quality of services to the people that they are accustomed to. At the same time, that will be good reason for us to say that without immigration, we will not be able to survive as a nation for very long.

The hon. member mentioned the fact that the vast majority of immigrants to Canada come from Third World countries. That is true and I want to tell him why. Simply put, it is because historically immigration to Canada has always been from countries where they have depressive regimes, a lack of economic opportunities, civil wars and so on.

All these people who have come to this country since the very early days up until now have come from countries where opportunities were not available. Certainly another factor why we are not getting immigrants from Europe is because Europe is faced with the very same situation we are faced with. That is a decline in terms of the population in Europe. The birth rate in Europe is in the same category as that in Canada. They do not have enough production in terms of population in order to sustain the population growth.

That is why we do not see many people coming from Europe to Canada. The other reason is that they have good opportunities in Europe and there is no reason for them to emigrate.

A cohesive immigration policy would be good from both the outside as well as the inside. In other words, if somebody is to look at it as a package, they will look at the input and find the input to be going well and working smoothly and find the output also going well and working smoothly.

From the input in terms of the people who are coming to Canada, the system is not really working efficiently. I am not saying this because I want it to be personal or because I want to attack the government. Sometimes the government has not put enough resources on the outside in terms of the immigration offices abroad, around the world, in particular in countries where there is a lot of demand on our immigration offices.

As such, there is a big overload there. We are finding more and more people trying to jump the queue, jump the system and find shortcuts. That is why we are seeing some people taking the risk of trying to buy their way into Canadian society and dealing with the problems when they are here. To help alleviate and solve that problem the government has to provide more resources. Another thing is that once those immigrants arrive in Canada, it does not matter whether we are talking about family class, government sponsored refugees, business class or the independent applicant, they just get into society—

The Acting Speaker (Mr. DeBlois): Order, please. It being 4.45 o'clock p.m., pursuant to order made Monday, November 23, 1992, in accordance with the provisions of Standing Order 78(3), it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the third reading 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. DeBlois): All those in favour of the motion will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Call in the members.

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

(Division No. 336)

YEAS

Members

Anderson
Atkinson
Beatty
Bertrand
Bjornson
Blais
Bouchard (Roberval)
Brightwell
Cadieux
Cardiff
Champagne (Champlain)
Cole
Cook
Corbeil
Couture
Darling
Desjardins
Domm
Duplessis
Epp
Feltham
Fretz
Gibeau
Greene
Guilbault
Halliday
Hawkes
Hockin
Holtmann
Jacques
Jelinek
Joncas
Kempling
Landry
Layton
Loiselle
MacDougall (Timiskaming)
Martin (Lincoln)
McDermid
Merrithew
Oberle
Reid
Ricard
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Sparrow
Tardif
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vien
Wenman
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—115

Andre
Attewell
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Bourgault
Browes
Campbell (Vancouver Centre)
Chadwick
Chartrand
Collins
Cooper
Côté
Danis
Della Noce
Dobbie
Dorin
Edwards
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Grey (Beaver River)
Gustafson
Harvey (Chicoutimi)
Hicks
Hogue
Hudon
James
Johnson
Jourdenais
Koury
Langlois
Littlechild
Lopez
Marin
Mazankowski
McDougall (St. Paul's)
Nicholson
O'Kurley
Reimer
Richardson
Roy-Arcelin
Scott (Victoria—Haliburton)
Siddon
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vincent
White
Winegard

NAYS

Members

Allmand
Angus
Axworthy (Saskatoon—Clark's Crossing)
Benjamin
Bevilacqua
Blaikie
Boudria
Brewin
Caccia
Clancy
Copps
Dingwall
Duhamel
Finestone
Fulton
Gagliano
Gauthier
Guarnieri
Harvard
Heap
Hunter
Kaplan
Keyes
Kilgour (Edmonton Southeast)
Langdon (Essex—Windsor)
Leblanc (Longueuil)
MacDonald (Dartmouth)
MacLellan
Manley
Marleau
McGuire
Mills
Nault
Nystrom
Parent
Phinney
Plamondon
Rideout
Rocheleau
Skelly (North Island—Powell River)
Stewart
Waddell
Wappel
Wood
Young (Beaches—Woodbine)—89

Althouse
Arseneault
Axworthy (Winnipeg South Centre)
Berger
Black
Blondin-Andrew
Breaugh
Butland
Campbell (South West Nova)
Comuzzi
de Jong
Duceppe
Edmonston
Fontana
Gaffney
Gardiner
Gray (Windsor West)
Harb
Harvey (Edmonton East)
Hovdebo
Jordan
Karpoff
Kilger (Stormont—Dundas)
Langan (Mission—Coquitlam)
Laporte
Lee
MacLaren
MacWilliam
Marchi
McCurdy
Mifflin
Murphy
Nunziata
Pagtakhan
Peterson
Pickard
Proud
Robinson
Rompkey
Speller
Tremblay (Rosemont)
Walker
Whittaker
Young (Acadie—Bathurst)

PAIRED MEMBERS

Larrivée — Milliken

• (1710)

[*Translation*]

The Acting Speaker (Mr. DeBlois): I declare the motion carried.

Motion agreed to, bill read the third time and passed.

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 30(6), the House will now proceed to consideration of Private Members Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

VICTORIA CROSS ACT

MEASURE TO ENACT

Mr. Doug Fee (Red Deer): moved that Bill C-305, an act respecting the award of the Victoria Cross, be read the second time and referred to a legislative committee in the Departmental envelope.

He said: Mr. Speaker, it is a privilege to finally be able to rise in this House to speak to my private members' bill, Bill C-305, an act to restore the Victoria Cross. It seems to have taken a long time to get to this point.

I presented Bill C-305 for first reading in this House on October 2, 1991. In the interim, I have been very encouraged by the support that the principle incorporated in this bill has generated across the country. It is also most gratifying to see the support that the Victoria Cross has received within this House.

I have members on both sides of the floor offering support and encouragement for the reinstatement of the Victoria Cross as Canada's premier military decoration. The Victoria Cross is a simple piece of bronze suspended from a crimson ribbon. The bronze is cast in the shape of a cross with the royal crest and simple inscription for valour. The cross is made of bronze taken from a cannon captured during the Crimean War.

The decoration is older than the dominion of Canada. It was first instituted by Queen Victoria in 1856. One of the first Victoria Crosses issued was to a Canadian. Lieutenant Alexander Dunn from Toronto won his Victoria Cross in the Crimea in 1856 during the famous charge of the light brigade. Since then, 93 Canadians have received the Victoria Cross.

Lieutenant Colonel Fred Tilston of Toronto recently passed away, leaving two living Victoria Cross recipients in Canada, Charles Cecil Ingersoll Merritt and Ernest Smokey Smith, both of whom live in British Columbia. They earned their Victoria Crosses during the Second World War.

Across Canada we hear of many stories about the heroes who have won the VC. It is interesting to note that the third Canadian to win a Victoria Cross was William Hall. William Hall was from Nova Scotia and he was black. His award for gallantry was presented in 1857 at a time when members of his race in the United States were still in slavery.

Canada Post recently did a beautiful vignette on Valour Road in Winnipeg. The nation notes with sadness the passing, and reports on the health, of any recipients of the Victoria Cross whenever they fall ill or pass away. The Victoria Cross has a significance that is too important to lose.

If we allow the Victoria Cross to disappear, our nation is diminished. For that reason, the debate this afternoon is extremely important. The Victoria Cross is a prominent symbol for Canadians. It is a symbol of our history, our heritage and respect not only for those who have earned the Victoria Cross through their gallantry but for those who fought along side of them. They fought in defence of liberty, freedom and peace.

It is also important because there is a proud tradition in this country, a military tradition, that most Canadians do not know or understand. Canada is a peace loving nation. We have never initiated a war and, God willing, we never will. It is not the Canadian nature to attempt to take by force of arms that which is not our own.

We have answered on several occasions the call to arms in defence of liberty and freedom. What is important in this debate and important in this House is that we understand that the courage and bravery recognized in the 93 Canadians who have received the Victoria Cross still exist.

We still have brave, courageous men and women who even today serve under the flag of the United Nations, proudly wearing the Canadian flag on their shoulders. They are willing to undergo personal risks and exhibit extreme bravery. Canadians make a contribution to peace and freedom far in excess of the expenditures of our country, but that is another story.

For those who serve today, the premier military decoration ever awarded to a Canadian is not at this time available. It is not recognized in the Canadian honours and awards system.

Canada has evolved on the road to independence. The evolution of a Canadian system of honours and awards began in 1967 and was implemented in 1972. At that time, through an omission, the military decorations

awarded to Canadians were all basically dropped, deleted or ignored.

• (1720)

It was suggested that separate Canadian military decorations would eventually be established and the Victoria Cross may be replaced by a distinctly Canadian decoration. Twenty years later no decision has yet been announced.

The Prime Minister rectified one oversight when he indicated that all Victoria Crosses won prior to 1972 could still be properly worn as the premier decoration. However, no provision has been made for any such medals to be awarded after that date. That is why we are here today engaging in this debate.

I became aware of just how seriously Canadians consider this problem when I was talking to a Royal Canadian Legion Branch in Sylvan Lake. At that time I explained why it no longer existed in the Canadian honours and awards system. It indicated to me in very strong language that it did not want just an explanation, it wanted the medal reinstated. It challenged me and asked me to do something about it. It is because of that branch and because of the hundreds of other veterans who have been encouraging me that I stubbornly persisted in pushing this bill forward.

This bill is written to establish a Canadian Victoria Cross. It proposes that it be distinctly Canadian, the premier decoration for bravery and would be incorporated into the orders of precedence of the Canadian honours as the senior gallantry award. Victoria Cross records would be maintained at the chancellery at Government House and costs associated with administration would be assumed by the Canadian government for Canadian purposes. Any future changes to the royal warrants would be issued by the Queen of Canada.

I feel very strongly that the principle of retaining the Victoria Cross not only has my support and the support of a majority of members of this House, but the support of all veterans' organizations, many serving members of the Armed Forces, the Monarchist League of Canada and the support of thinking Canadians.

The Royal Canadian Legion at its convention in 1986 passed a resolution petitioning the Prime Minister to restore the Victoria Cross as an award made to members of the Armed Forces for valour. Again, this year at its convention in Quebec City it unanimously endorsed a similar resolution asking the Government of Canada to retain the Victoria Cross as the highest available decoration for valour. It added that the responsibility for recommending and awarding the Victoria Cross should rest with the Government of Canada with the investiture made by the Governor General as the representative of the Queen in Canada.

Bill C-305 has been endorsed by many members of this House. I thank the many members who have written in support and offered encouragement of the bill. I am also encouraged that the Prime Minister is on record in the *Legion's magazine* as recognizing the special place of the Victoria Cross in the history of the Armed Forces. The Leader of Her Majesty's Loyal Opposition has also written in support of it, as has the leader of the New Democratic Party.

By presenting this bill I implore the government to heed the call of Canadians to respect our military tradition and our heritage, to establish military awards to recognize potential bravery and courage on behalf of our serving military personnel. I encourage it to follow the lead of Australia and, with the consent of the monarch, to re-establish the Victoria Cross of Canada as the premier military decoration. In so doing we are honouring the 93 brave Canadians who have been recognized. We also honour those who fought beside and in the tradition of them. We honour an award that was first presented by Queen Victoria to a Canadian.

Many times we debate in this House bread and butter issues, issues that have to do with the stomach and the wallet of the nation. We are talking here of an issue that affects the heart and soul of that nation. This is not an expensive issue. It costs this country very little to recognize bravery, courage, commitment and sacrifice. It costs very little. To those who have been recognized with Victoria Crosses, the cost to them in many cases has been horrendous.

Last week I paid tribute to the late Colonel Fred Tilston who, while showing extreme bravery at the battle of Hochwald Forest in 1945, was wounded three times and eventually lost both his legs. It cost the nation very little to give him the Victoria Cross and recognize his extreme bravery. What it cost Col. Tilston is far more than that.

We all pray that no Canadian ever need face armed conflict or go to war against another. It was just two years ago that Canadians joined other forces of the United Nations to free Kuwait from Iraqi occupation. Today Canadian peacekeepers are active in 12 countries and those brave men and women in many cases face danger on a daily basis. We do not have a military decoration to recognize any who show extreme bravery in those circumstances. It is reprehensible that we are in that situation and it is reprehensible that we have not done anything to rectify it.

An argument has been made that this is perhaps not a proper topic for a bill before the House of Commons. A valid argument was made that honours and awards are properly established by the royal prerogative rather than a bill of the House of Commons. I have been convinced that this might be so and I would not want this bill to detract in any way from the significance of the Victoria Cross, but I do feel it is important that all members in this House have the opportunity to express themselves.

I would offer that nothing can detract from the significance of the Victoria Cross and it should be re-established.

By carrying on with this debate I want to indicate very strongly the arguments and reasons for reinstating the Victoria Cross. I do not intend to let my efforts to get this medal reinstated as the premier Canadian military decoration stop at all. I intend to pursue the matter with the Prime Minister, the Minister of National Defence, the Minister of Veterans Affairs and whoever else need be contacted.

The Victoria Cross is an international honour. It is available still to members of the Commonwealth. Like other international honours such as the Nobel Prize, the Victoria Cross has transcended geographic and political boundaries. Ninety-three Canadians have been awarded the Victoria Cross for conspicuous acts of bravery and daring. This links us to a tradition going back to the Crimean war. It is older than our nation. The Victoria Cross will always have a special place in our honours and awards system and that place should be front and centre.

I will try and be short because I know there are several other members who want to address the issue as well.

The Victoria Cross is very special to Canadians and nothing that we can say or do in this House is necessary to embellish the bravery of those Canadians who have been recognized with it. Likewise, we cannot diminish the significance of those that have been awarded. It is going to stand throughout our history as the premier military decoration ever awarded to a Canadian. Even if through some mishap we fail to restore it to the forefront of the Canadian honours and awards, we cannot diminish its significance. Our failure to do so will diminish our significance because no nation that aspires to greatness, and Canada is a nation that has the potential for greatness, will ever achieve it if it refuses to honour those who made that greatness possible.

It would be our shame if we were to sit back and let this important part of our history and heritage be lost. Canada should have its own military honours. The fact we do not is a ludicrous oversight and it makes no sense for us when establishing military honours to discard the tradition of an award that has been revered by all Canadians; a tradition that reminds us that when we are called to battle Canadians have always conducted themselves with honour and with bravery.

I have been very inspired by reading the reasons for the awarding of several of the Canadian VCs. Canadians do not know enough of our military history and heritage. Perhaps that is one of the reasons that we have allowed the travesty that this bill attempts to correct to occur.

In my riding alone there are three items that are connected to the Victoria Cross. Canadian Forces detachment in Penhold has recognized with Mynarski Park the bravery of Pilot Officer Andrew Mynarski who lost his life during the Second World War while attempting to save a comrade who was trapped in a burning Lancaster bomber. The medal that his family received was small consolation for the supreme sacrifice that he bravely paid to attempt to save a comrade.

I have also been watched very closely by members of the R. L. Zengel V.C. branch of the Royal Canadian Legion in Rocky Mountain House. Sergeant Ray Zengel was a native son of Rocky Mountain House. He won his Victoria Cross in the First World War and his medal is a prized possession of that branch.

Why do Canadian youth not know the stories of our heroes? Why do we not celebrate their accomplishments and thank God for their contributions and sacrifices? If we as a nation truly appreciate what they did, we would all understand the significance of this piece of bronze and we would all join in demanding its reinstatement.

Stories of valour extend into every province and area of Canada. I attended a 100th anniversary in my riding last summer and one of the most significant elements in that family's history and anniversary was the Victoria Cross, won by one of the members, Corporal Alex Brereton.

Two weeks ago during remembrance services in all corners of this nation we listened to the intonation: "At the going down of the sun and in the morning, we will remember them".

We all replied then, along with millions of grateful Canadians: "We will remember them". Yet every year fewer Canadians can remember the sacrifices of those who served in wartime and even fewer who can remember the faces of those who paid the supreme sacrifice.

• (1730)

To lose the Victoria Cross is to lose the faith of those who selflessly sacrificed and contributed so much to our development as a nation and earned us the freedom and strength of the nation we enjoy.

I am asking in this bill that we not allow the symbol of recognition given to the bravest of the brave to be diminished. I am asking that we restore the Victoria Cross and all it symbolizes to its rightful place of predominance in Canadian honours and awards.

The time allotted today does not possibly allow for all members who would like to speak on this topic to do so. It is an important issue, one that many members should be participating in. Therefore I would ask the unanimous consent of the House to make that possible by designating Bill C–305 as a votable item.

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

Some hon. members: Agreed.

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

Some hon. members: Agreed.

Motion agreed to.

Mr. George Proud (Hillsborough): Mr. Speaker, I rise today to take part in this debate. I congratulate the member for Red Deer on his initiative in bringing forth this private member's Bill C–305 to reinstate the Victoria Cross.

I have long advocated that Canadians should take more pride in themselves, our institutions, our history and our heroes. The Victoria Cross, even though it was originally an award from the British government, has long epitomized Canadian heroism. People from around the world admire and respect those 90–plus Canadians who have been decorated with the highest military award that could be possibly be won by a Canadian serviceman or woman.

The Victoria Cross is the stuff of which legends are made. As has been mentioned by my hon. colleague from Red Deer, the names on the honour rolls, including Billy Bishop, Smokey Smith and one person from my home province, Frederick Thornton Peters, the only resident of my province to win the Victoria Cross, summon up the vision of selfless heroism in the face of danger. To read the stories of these people who were awarded the Victoria Cross, one cannot imagine what they went through in the face of so much danger. It was not uppermost in their minds at the time; certainly they had no thoughts of receiving the medal. A year ago I had the opportunity to travel to Italy on a pilgrimage with veterans. One of the men I spoke about, Smokey Smith, was there and we visited the area where he received his medal.

It is my sincere wish also that the young people of Canada could see these heroic figures in the same light as they see many of the heroes of other countries, especially the United States. I believe that we in this country are far too quick to look beyond our shores and ignore many times the people and much of the heritage of our own country. The reinstatement of the Victoria Cross as a Canadian award would help to alleviate this problem.

I strongly support the reinstatement of the Victoria Cross as the highest Canadian award for valour and would urge members of this House to support this private member's bill. We are certainly mature enough as a nation to retain this honour with its historic name

and have it remain as the greatest symbol of Canadian heroism.

I agree that the medal could be awarded along the lines it is in Australia, with Canadians making the determination as to whom should receive the medal. It will therefore take its rightful place as the greatest honour a Canadian could possibly receive. I hope each of us in the Chamber will take the stand on this matter that our conscience dictates.

Since I have been in the House I have been troubled by the relative lack of importance which sometimes is attached to private members' bills and to the whole process of bringing private members' bills before the House.

I feel the executive branch of government does not always attach much importance to the backbenchers on either side of the House. A very talented group of members have been elected to the House of Commons, but under the constraints imposed by rigid party line and party discipline many of their good ideas never come to the floor of the House of Commons.

I had sincerely hoped that during the constitutional discussions and all the parliamentary hearings the message would have come through loud and clear that members of this House should be given a greater role in the formulation of legislation.

To my mind one of the major reforms which must be carried out in this country is the strengthening of the role of members of Parliament. From talking to other members in this House, I know there is widespread support for this particular piece of legislation, the one we are discussing today. It is one of the many good ideas that can come from the ordinary member.

Whether or not this legislation ever passes will depend unfortunately on whether or not the executive branch of government wants it to. Individual members of Parliament should have more input into the drafting of legislation and should in my view be able to initiate more legislation from the floor of this House.

It was mentioned this afternoon on another piece of legislation that maybe we should not have that say. I believe that members of Parliament, members of this House, have to play a more vital role in the running of this country because Parliament is the very essence of democracy.

The people who are here have been sent to the House with a specific job to do. I believe they could be doing a better job if they felt more freedom in the matter of introducing and supporting legislation, wherein committees could play a bigger role in amending legislation and legislation coming back here. It could all be part of the process.

The people of Canada have grown cynical about the political process and about politicians as a whole. Perhaps part of the reason is that they see us many times blindly following party discipline when we should be speaking and voting as our conscience dictates. That would be good. We should be speaking and we should be voting that way.

This is a good piece of legislation. It will help us redefine and re-emphasis the things that make us proud to be Canadians. I am very proud to support this bill and I urge other members to do likewise.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Before giving the hon. member for Regina—Lumsden the floor, I would like to point out that the Chair has been informed the hon. member is having some health problems. I can assure him that the House will bear with him and that he should feel free to remain seated, if he so prefers.

[*English*]

Mr. Les Benjamin (Regina—Lumsden): Mr. Speaker, I take pleasure on behalf of my colleagues in the New Democratic Party in supporting the private member's bill put forward by the hon. member for Red Deer and supported by the hon. member for Hillsborough. I want to congratulate the hon. member for bringing the bill forward. If there is anybody in this place who is opposed to it, I would sure like to know who it is.

The Victoria Cross is recognized as the top medal for valour in Commonwealth countries and is even shown that kind of regard in other countries. I do not know what the honours and awards commission was thinking about when it completely removed the Victoria Cross from the Canadian list of orders of precedence. They could not have been thinking.

• (1740)

In 1972 the Victoria Cross was left out of the Canadian system of honours and awards. In 1990 another sequence of medals was introduced, for example the Cross of Valour in the highest position. The Victoria Cross is no longer in the sequence but is validly worn if it was won before 1972.

It is very possible that one of these times a Canadian will do something of the order that earns the Victoria Cross, carrying out his duties under the United Nations flag. If that should happen and that person's exploits were of the kind, quality and calibre that has happened before with other recipients of the Victoria Cross, then it should be issued as the first order in Canada. It should lead the list of the orders of precedence. I do not know why they had to meddle around with this, if you will pardon the expression.

I was somewhat noted for being a Canadian nationalist. I swore an oath when I became a member of this House to bear allegiance to the Queen. She is the Queen of Canada and there is no reason on earth why, if there is another award of the Victoria Cross because it can be won in peacetime as well as wartime, she cannot present the award or the Governor General as the Queen's direct representative here.

The Royal Canadian Legion has made it very clear, very plain. Last April Comrade Fred Williams wrote to the Prime Minister and stated that the Royal Canadian Legion most strongly requested that any new bravery award system included provision for the permanent retention of the Victoria Cross as Canada's highest military award for valour.

We can do no less. I urge my colleagues from all parties to put this legislation through without any wrangling about it, and I do not think there will be. This is one area where all parties are unanimous in support of this bill. The only other thing I would like to see happen is some improvement being made to the small pension, the small honorarium awarded with the VC. It is a carryover from before the First World War. I sure would like to see something done with that, not so much in an effort to repay them, because we can never fully repay the recipients, but to put something a little more material behind the award in addition to the award itself. I would like to see the minister and his department come up with improvements in the awarding of a pension in conjunction with the Victoria Cross.

I had the great pleasure, as my hon. friend from Hillsborough mentioned, of being in Holland, Sicily, and Italy on the 40th anniversary of the liberation of Europe, and many parts of it liberated by Canadians. We had in our group with the minister Fred Tilson and Smokey Smith who never did anything or said anything to draw attention to themselves. However, when others found out there were two VC winners with us, it was interesting to see how many people went to see them just to have the honour of meeting them and getting their autographs.

You have to hear Smokey Smith's version some time of how he won that medal. His version was that a German soldier filled his brand new battle-dress tunic with holes after he had just had it tailored with box pleats and dry-cleaned. This soldier shot him and put holes in his jacket. He said he got mad and took his Sten gun and stitched him from bottom to top. You ought to hear him tell it. He is very funny and a very good person.

It was also a pleasure to meet with Col. Merritt, who mingled with all of us. I was only an OR during the war and always looked up in awe at majors and colonels and so forth, but he was one of us. We were proud to have both him and Smokey Smith with us. I will never forget that trip if I live to be 1,000.

I want to leave this in the hands of the House in the hope that there will be no question about supporting the bill. Like the hon. member for Red Deer, I appreciate the indulgence of the House to make this a votable motion which means it gets another couple of hours debate. I hope then other hon. members will take the opportunity to get up, even if it is only for five minutes, to say things about this and put their support behind it.

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I am proud to have the opportunity to speak in favour of the private member's bill before us today. It addresses an issue that has been of concern to many members of this House for some time now.

For 20 years Canadians have not been eligible to receive what has traditionally been the highest award for valour bestowed in time of war, the Victoria Cross. As a

seconder of this bill, I am anxious to see it passed into law so that the situation may be rectified.

Many of us have worked with individual veterans, legion branches and constituents on the issue. I believe there is a strong desire among the public to see members working to pass a bill such as this one. Public confidence in Parliament is strengthened when members are seen to be responding to the clear wishes of thousands of individual Canadians.

Established in 1856 by Queen Victoria, the Victoria Cross was, for over a century, the highest award for gallantry available to Canadians in time of war. Since that time only 93 Canadians have ever won the VC: four before the Boer War; four in South Africa; 69 in World War I and 16 in World War II.

As a unifying symbol for this country and others throughout the Commonwealth, the VC is unsurpassed. Canadian recipients have come from all walks of life, from every province and from a wide range of ethnic backgrounds but the common denominator for all of them was their shared loyalty and sacrifice for this country.

When my hon. friend's bill was introduced here in October of last year there were three surviving recipients of the VC in Canada. Since that time one has died, leaving two living reminders of our past and of our duty to ensure that their heroism is not forgotten.

I need not remind hon. members of the place the Victoria Cross holds in the hearts of tens of thousands of Canadian veterans. Over the past few years many veterans have felt that their contribution to the country has been forgotten or demeaned.

The reintroduction of the Victoria Cross into the Canadian honour system will go a long way to confirm our respect for Canadian veterans and for the men and women who serve today in our Armed Forces.

Why was the VC eliminated? I believe that a grave error was made in 1972 when the Trudeau government deleted it from the honour system. It was a decision that outraged veterans and non-veterans alike. Why, many asked, would the government want to remove one of the most potent symbols of our nationhood? Many have said: "Because it is a foreign award".

Tell that to the Canadians who won the VC in World Wars I and II. Tell that to the families of those who died in the defence of our country. I do not believe for a moment that they saw themselves as anything except Canadians answering the call of their country.

• (1750)

Although Canada was born out of compromise, her maturity as a nation came in battle. Vimy Ridge, Dieppe, Normandy all were battles in which we fought alongside our allies: Britain, France and the United States. We did not enter these conflicts as a vassal state. We entered out of commitment and loyalty to our friends in World War II, out of recognition that war was necessary to rid the world of a monstrous evil.

I am not trying to glorify the horror of war. The suffering and sacrifice that came from our involvement wounds us to this day. It is true that the Victoria Cross was introduced by Britain in the aftermath of the Crimean War. Indeed, VCs were forged from the canon barrel employed in that conflict.

The VC is truly an award that cuts through national borders. Soldiers from many Commonwealth countries ranging from Australia to Pakistan and New Zealand have won the cross. So is its British origin an argument against reinstatement? Certainly not.

We have retained countless traditions that date back to past years. In Quebec, the civil law code finds its origins in the Napoleonic code. Our country's most distinguished lawyers are honoured with the designation Queen's Counsel. The Governor General represents the Queen in Canada. Tradition and the continuity of symbols is part of what binds a country together.

By reinstating the Victoria Cross, we are acknowledging not only the value of our history, but also are expressing confidence in our maturity as a nation. This bill provides for a Canadianized Victoria Cross. We would not be alone in this.

In 1989, the Australian government officially incorporated the Victoria Cross into the unique Australian honours system. If the Australians, who occasionally display far more of a republican sentiment than Canadians ever have, feel culturally secure enough to reinstate this symbol of their Commonwealth heritage, then I can see no argument against our doing so.

The proposed system would see the Governor General bestow the Victoria Cross on the advice of the Canadian government of the day. All responsibility for the cross would rest in Canada, the administration, ceremony and so forth. In this way, there would be no doubt as to the true nature of this decoration, an honour conceived in an era long past, but preserved and strengthened with an eye to the future.

By voting for this bill, we are sending a very clear message to the Canadian public. We are listening to their concerns. They have told us that we have an obligation to conserve that which is most noble in our past, to respect the wishes of those veterans who sacrificed so much, to maintain an honours system that both reveres our Commonwealth traditions and at the same time is uniquely Canadian.

I look forward to this House joining us in working to make Bill C-305 law. We owe our Armed Forces and our veterans no less.

Mr. Scott Thorkelson (Edmonton—Strathcona): Mr. Speaker, I am very pleased to rise in this debate. I want to thank the hon. member for Red Deer in bringing forward this bill to Canadianize the Victoria Cross.

This is a very important matter. It has been discussed and debated for 20 years in Canada. I find it incredible that we allowed the Victoria Cross to be dropped from the awards and honours Canada gives out. I find it incredible that we allowed the Trudeau government in 1972 to drop it from the awards.

I have stood up on several occasions in the House to encourage the government to reinstate the Victoria Cross. I also co-sponsored the bill of the hon. member. He deserves a lot of credit, as do other members of the House, for pushing this issue to the point where now we have a votable bill before the House of Commons. I hope that members of the House of Commons will see to it when this does come to a vote that it is passed.

On June 9, 1992 I rose on a statement pursuant to S.O. 31. I would like to read into the record what I said at that time:

> Mr. Speaker, I strongly believe that our government should Canadianize and restore the Victoria Cross medal as the highest accolade for an act of valour in the face of the enemy.
>
> In 1972 when the previous government brought in the new Canadian orders of bravery the Victoria Cross was omitted. I believe it is time this policy be reversed. The Victoria Cross should be reinstated and awarded by the Governor General on the advice of the government of the day.
>
> After listening to the many views of many veterans on this issue, I strongly believe the Victoria Cross should once again resume its position as a distinguished part of Canada's awards for gallantry.

I still hold that position very strongly today. A few days later, I got up and asked the Associate Minister of National Defence if she would Canadianize the Victoria Cross. I want to read into the record my question and the answer. I was very disappointed with the answer and I urge the government not to interfere with this private member's matter and to allow members to vote on it as they wish. I would hope and I think that most members will vote in favour of this bill to Canadianize the Victoria Cross.

The question I asked on June 12, 1992 was:

> Does the minister support the restoration and Canadianization of the Victoria Cross as Canada's highest medal for valour in the face of the enemy?

The minister responded:

> I know my hon. colleague's interest in this subject, but I would like to point out to him that the Victoria Cross is a British medal bestowed by the Queen. It is not a Canadian medal. Obviously Canadians would still be eligible to receive it. It is given for extraordinary valour in the face of the enemy. We hope we do not have to face such an enemy.
>
> But, at the same time, within Canada we have been developing our own system of honours and awards over a number of years. The final component of that would be to develop our own awards for valour in the face of the enemy. That work is not complete but it is ongoing.
>
> I am sure that the hon. member would agree that it is important that we have within Canada a method of recognizing bravery of Canadian men and women in the Armed Forces.

I want to say we can have that method and that method is to bring forward a Canadian Victoria Cross. That is what we should do. We can Canadianize it. We can recommend through the right channels to the Queen that this Victoria Cross be awarded to particular people rather than put aside this tremendous symbol of courage, tradition and history that is so esteemed by so many veterans across this country.

Earlier this year in the *Legion* magazine of March 1992, the Victoria Cross was discussed. It pointed out that Australia has become the only Commonwealth country to nationalize the Victoria Cross. The *Legion* magazine

states: "The Queen signs letters patent authorizing the Governor General to award the VC on the advice of the Australian government. The Queen has made it clear that even the Commonwealth republics can advise on the Victoria Cross". That is what the Monarchist League of Canada chairman, John Aimers, said. "The Victoria Cross could be made more Canadian. Certainly we would want it given out only on the advice of the Canadian government. I think all the royal societies are united on this one." The article goes on to talk about how the Legion for years has been calling for the previous government and this government to Canadianize the Victoria Cross and to pay a little bit of attention to this very important matter.

Canada is a young country but we have traditions and symbols. This is a part of our history and perhaps it is time to Canadianize the Victoria Cross, to retain it as a part of our history. It is so important. Too often in our society we devalue the symbols and traditions of the past, but this is one that is important to not only veterans but I am sure it is also important to those members of the Canadian Armed Forces who are serving today. I am sure they would like this award to be there for their valour if it is needed in times of conflict.

In closing, I just want to say that I support this whole-heartedly as I believe many members do. I want to pay tribute once again to the member for Red Deer who, with courage, presented this even though there were indications that the government and others in society wanted to do away with the Victoria Cross. He persisted and his efforts have been laudable and admirable. I hope that we can see in the next short while the announcement that the Victoria Cross will be Canadianized.

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

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, no. I think it is very important that the opportunity be provided to other members who are not able to be present in the House tonight to have the opportunity to debate this very, very important matter. By having the question put now, that would be foreclosed.

I salute the hon. member for Red Deer for his initiative in introducing this item, and his persistence in seeing it through. I congratulate him in having had it been made a votable item. It is so important that the House have the opportunity to vote on this item. I too hope to see the day when the decoration is—

• (1800)

The Acting Speaker (Mr. DeBlois): I am sorry, but the time provided for the consideration of Private Members' Business has now expired.

[*Translation*]

Pursuant to Standing Order 93, the order is dropped to the bottom of the order of precedence on the Order Paper.

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

LINGUISTIC DUALITY

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, further to a question I asked on May 5 this year, the Secretary of State informed me that they were in the process of completing agreements with British Columbia, Alberta, Saskatchewan, Manitoba and Ontario and that it was expected the conclusion of these agreements between the provinces and the federal government would be announced very shortly.

This was six months ago and there has been no announcement so far either by the government or by the provinces and I wonder what is happening.

It is rumoured that an agreement in principle was concluded by the federal government and the provinces. This agreement, worth $177 million according to some people, is about to be approved by the federal cabinet, and the minister is expected to make an announcement a few days from now.

Meanwhile, we are still waiting, and I wonder what this government thinks about the promises it makes, the

expectations it raises and how it has disappointed certain groups, especially official language minority groups which are greatly dependent on the federal government for their survival.

Young Franco-Ontarians are still waiting for the minister's official announcement on the Cité Collégiale, a post-secondary institution, the Collège du Nord, the Collège du Sud and the Collège du Sud-Ouest. Franco-Albertans are still waiting for the announcement concerning their community centre in Edmonton. Franco-Manitobans are still waiting for an announcement about infrastructures and institutions that will help guarantee their survival.

For the past 10 years, our Constitution has granted Canadian parents the right to educate their children in minority language institutions. Although these are legal rights, governments lack the political will because they have no way of making these institutions, these minority-managed school boards a reality without the assistance and support of the federal government.

On August 31 I wrote to the premiers of all the provinces, including Ontario, British Columbia, Newfoundland and Labrador, Saskatchewan, Manitoba and Alberta to ask about the status of this constitutional right of francophone minorities to manage their own educational institutions, as they do in New Brunswick and Quebec.

Ontario, Manitoba and British Columbia have yet to answer my letter. The premier of Alberta informed me of a bill, now in second reading, which deals with the issue of school boards for the language minority in Alberta. Saskatchewan mentioned a bill tabled before its legislature adjourned. The Newfoundland Minister of Justice told me that a report would be submitted by the end of the school year on structures for the administration of schools by the francophone language minority in Newfoundland.

Despite these few rays of hope, here in Ontario a number of municipalities have passed resolutions against establishing French schools in Ontario. They include Georgian Bay, Campbellford, Hudson, Petawawa, Elliott Lake, Brampton and other municipalities which have endorsed a recommendation to oppose the creation of francophone school boards in Ontario for financial reasons. These municipalities refuse to recognize the constitutional rights of Ontario's francophone minorities. This is a deplorable example of intolerance and lack of understanding on the part of the majority.

It is not always easy to live in a minority position. It is not always easy to survive in provinces where there are groups that are fiercely opposed to the very existence of a Canada that sees itself as the very expression of linguistic duality.

Time is of the essence. Today, November 24, 1992, I want to ask the parliamentary secretary: when can we expect a clear and specific announcement of the Conservative government's position on establishing minority school boards and thus providing the possibility of establishing certain institutions that are essential if we want to survive as a minority and as Canadians in our province?

Mr. Vincent Della Noce (Parliamentary Secretary to Secretary of State of Canada and to Minister of Multiculturalism and Citizenship): Mr. Speaker, I am pleased to respond to my colleague from Ottawa—Vanier. When he says that it is difficult to live as a minority, I must tell him that I fully agree. Believe me, I have been there and I know something about it.

I can also say that the promotion of linguistic duality as a fundamental characteristic of Canada has always been a basic principle of this government. We have never backed away from our leadership role in this issue and we never will.

Our actions speak for themselves and eloquently and precisely illustrate the seriousness of our commitment. In the last few years alone, these actions have produced tangible results in supporting official language minorities.

We can mention in particular the opening of the Maison de la Francophonie in Vancouver and Cité Collégiale in Ottawa and the creation of no fewer than six school and community centres in eastern Canada, the building of a new campus for Heritage College in the Ottawa Valley and the funding of 10 community radio stations serving English and French speaking minority groups.

I will remind hon. members, if need be, of another program that requires no actual construction but speaks to the hearts and minds of young Canadians. It is Voyageurs Canada 92, a program in which most of us had a role to play this past year; 27,500 young Canadians travelled all across our country. This project, an original

idea of the Secretary of State, is one of the largest youth exchange programs ever undertaken in Canada's history.

It is no doubt the most spectacular event, but there are others which are just as important in their own way. I am thinking for example of Hospitality Canada and the exchange program of the Federation of Canadian Municipalities, both sponsored by the Government of Canada.

We are asked whether linguistic duality is really a priority. Of course the answer is yes. We showed it when we passed the new Official Languages Act in 1988 and also when we allocated $1.5 billion over five years to minority language education—

The Acting Speaker (Mr. DeBlois): I must interrupt the hon. parliamentary secretary, since the rules for this debate are very strict.

[*English*]

EMPLOYMENT

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, there is a crisis in Montreal. Between one-quarter and one-third of the people in the city are living on some form of social assistance. When I walk along the streets, almost one in every five people I meet is unemployed.

In some areas of my riding, like Snowdon and Côte des Neiges, every fourth person is out of work. Taken together, the unemployed people in Montreal could fill the Olympic Stadium more than five times. Retailers, manufacturers, builders, industrialists, as well as our people, have been touched by the massive unemployment in the city. There is not a family who does not have a sister, friend, brother, mother or father who has not lost a job as a result of the made-in-Canada recession, brought on in large part by this Conservative government's poor fiscal and economic policies.

In particular, the anglophone and allophone communities have been extremely hard hit by the recession. They have not been encouraged by the report from the *Conseil de la langue française* showing that even fully bilingual members of their communities suffer discrimination in the work force, including the public sector despite section 15 of the Official Languages Act.

The recession has spared no one in Montreal. It has hit both men and women. It has hit people from all walks of life, be they professionals, managers, sales people or construction workers. It is hitting young people and old people.

I am deeply concerned about the welfare of the people of Montreal. I have often asked ministers in this House what they intend to do about this crisis in Canada's second largest city and the motor of the Quebec economy.

On May 15 the Minister of Employment and Immigration answered by flaunting a job training program that he supports out of the unemployment insurance fund. Today people who have started this program are unable to finish it because this government refuses to continue to contribute to this fund.

Since July, people who applied to this program have been turned away. This Tory policy for upgrading our work force is just a sham and these people who themselves contributed money to this fund while they were working on the understanding that there would be some money for them when they needed it. These people are honestly trying to improve their own job prospects and this government is letting them down.

In fact, a recent Conference Board of Canada report has concluded that this Conservative government's economic policies are responsible for this recession. This government's policies are, in large measure, responsible for the number of people out of work in Montreal. The government's policies of high interest rates, high taxes and deep spending cuts have made the recession in Canada longer and deeper than anywhere else in the world. Its policies have actually added to the deficit and contributed to unemployment by killing economic growth in this country. Now, with 204,000 people out of work in Montreal and 1.5 million in Canada, we learn that the finance minister plans to cut government spending yet again on unemployment insurance, Old Age Security and family support. This will not stimulate the economic growth and will not help the people who are in Montreal to find work.

• (1810)

When will this government produce and fund concrete measures to help people get back to work? That is a very serious problem and it is time this government undertook something.

Mr. Benno Friesen (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, on behalf of the Minister of Employment and Immigration, I wish to respond in greater detail to the question of May 15 by the member for Mount Royal.

The government shares the concerns of all Canadians with the effects the economic slowdown has had on job creation, unemployment and ultimately the increase in those receiving social assistance.

To reduce Canada's growing social assistance caseload, the government is undertaking several different initiatives. First, the government has negotiated agreements with all provinces to enhance the employability of social assistance recipients. These agreements marshall a combined federal and provincial effort of $400 million to give social assistance recipients priority access to employment programs.

Second, a $50 million pilot project has been established with the provinces of British Columbia and New Brunswick to help social assistance recipients obtain employment and achieve self–sufficiency. This project is breaking new ground in government's approach to helping those on social assistance and will hopefully pave the way toward a more effective income support system in the future.

Third, the government's current strategy in the area of training will ensure better opportunities for all Canadians, including those at risk of ending up on social assistance. Under the labour force development strategy, actual spending for labour market programming is expected to increase by 62 per cent over a four year period, from $2.5 billion in 1989–90 to $3.55 billion in 1992–93.

This year federal labour market assistance will help about 900,000 unemployed Canadians. This assistance, combined with a growing economy, will contribute toward reducing welfare rolls and lead to economic self–sufficiency for many Canadians.

CHRISTINE LAMONT AND DAVID SPENCER

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I rise to follow up on questions I asked in this House earlier this year and, indeed, as recently as this afternoon, of the Secretary of State for External Affairs with respect to the plight of Christine Lamont and David Spencer, two young Canadians who are currently serving 28–year prison terms in Brazil.

Christine Lamont and David Spencer went to Central and South America because of their deep commitment to social and economic justice for the poor, the powerless and the dispossessed in that region. In 1989 they were caught up in an appalling nightmare which started on December 17, 1989, with their arrest.

The subsequent trial of Christine and David was in many ways a miscarriage of justice, conducted under conditions of extreme politicization. Indeed, the judge himself indicated that he was under tremendous pressure from police and politicians to convict all 10 of the accused.

Cardinal Arns, the Archbishop of Sao Paulo who has been intimately involved from the beginning of this whole affair, has spoken out on his profound conviction of the innocence of Christine and David; indeed has written a letter to the Canadian Prime Minister in this regard.

Christine and David were convicted and then to compound the injustice, to change from miscarriage to in fact travesty of justice, the Court of Appeal increased the sentences to 28 years. As foreigners under Brazilian law, they are not entitled to parole. This indeed is far worse than a life sentence in Canada.

Under Brazilian law, indeed the Brazilian constitution, there is provision upon the request of a foreign government for the Brazilian government to expel foreign nationals in its prison. This is a power which has been exercised in a number of occasions. The minister today in the House suggested that somehow this was unprecedented. That is absolutely false. There are many precedents for this. Indeed, just recently a Chilean national was expelled pursuant to the request of his government.

In June of this year, the justice committee unanimously urged the government—unanimously, all parties—and the Secretary of State to call for the expulsion of Christine and David under Brazilian law. They said that waiting for appeals, waiting for a transfer of offenders treaty, was unacceptable and placed them at risk. That risk is even greater now, particularly after the tragic riot

and deaths and murders of 111 prisoners in a Brazilian jail in late September.

The justice committee last week reiterated its unanimous appeal to the minister to seek the expulsion under Brazilian law of Christine and David. The Prime Minister said that he has spoken with the President of Brazil, now impeached, seeking justice for these two people. We do not know if he sought expulsion, but certainly we hope so.

I want to take this opportunity to once again call upon the government and the Secretary of State for External Affairs and the Prime Minister to wait no longer, to stop their shameful stalling, to listen to the justice committee, to listen to the voices of Canadians, to listen to the families and to seek the expulsion of Christine Lamont and David Spencer under Brazilian law.

Their lives may be at risk. Certainly a grave miscarriage of justice has been done, and the time is long overdue for this minister to act on behalf of these two Canadian citizens.

Mr. Benno Friesen (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, as the Prime Minister confirmed in his response to the hon. member's question on June 17, he did indeed raise the matter of Christine Lamont and David Spencer with the President of Brazil during the earth summit in Rio de Janiero. He raised it again in letters to President Collor when he was still in office, and more recently to President Franco. The position of the government in this case has been guided by respect for the due process of law. At the moment there are two appeals pending in this case before the federal courts in Brasilia, one on whether the trial court had jurisdiction to hear the case and the other on the length of the sentences.

At the direction of the Secretary of State for External Affairs, our ambassador in Brasilia has been actively pressing to ensure that the judicial process continues without delay. He has learned that a decision on whether the appeal on the sentences will be heard, and indeed perhaps a decision on the appeal itself, will be forthcoming in the very near future.

He has also learned that the Brazilian Attorney General has submitted an opinion to the court that the sentences of the individuals involved should be differentiated according to their degree of involvement in the kidnapping. This could result in a reduction of the sentences that Christine Lamont and David Spencer received.

We understand that the opinion of the Attorney General is given considerable weight in these cases. Should there be undue delay in this appeal, however, or should it be denied, the situation would be reviewed again.

I would also point out that a transfer of offenders treaty with Brazil was signed on July 15 which when in force would enable the return of Miss Lamont and Mr. Spencer to serve any remaining portion of their sentences in Canada with the benefit of Canadian provisions.

Our ambassador has been actively lobbying Brazilian ministers, the leaders of the two chambers of the Brazilian Congress and the chairmen of the legislative committees responsible for reviewing the treaty to move it as quickly as possible through the Brazilian approval process. All have assured him that there are no problems that might delay ratification.

Finally, I would like to assure the House that everything possible is being done to ensure the safety and welfare of Miss Lamont and Mr. Spencer while in prison. The Consul General in Sao Paulo has visited them frequently and made numerous representations to the Brazilian authorities to improve the conditions of their imprisonment.

SUBSTANCE ABUSE

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, this week a cargo plane bringing $2 billion worth of cocaine was seized in Quebec, thanks to the superb effort of the RCMP, the Canadian Air Force and other agencies.

Let me congratulate them and the thousands of officers who each day try to keep these terrible drugs out of Canada. Yet for each shipment that is caught, untold other shipments of illegal drugs slip through our border, move into our streets and ruin the lives of thousands of Canadians.

• (1820)

Countless reports and statistics tell the story of this tragedy. A recent survey conducted by the Children's Aid Society of metro Toronto found that 12 per cent of parents use crack. An estimated 156,000 Canadians use cocaine and 36,000 use LSD.

The fact is stronger drugs like the comeback of heroin in the streets of Toronto are on the increase. The recent study by a major health insurance company found that the increase in cocaine use in Quebec ranks number two in all of North America, second only to Washington, a city fraught with street crime, drug wars and abuse.

We know that alcohol and drug abuse are responsible for between 70 to 90 per cent of all crimes committed in Canada. The Addiction Research Foundation recently estimated that drug abuse costs the Canadian economy $11.5 billion each year. Our youth in particular are becoming victims of drug use.

In the face of the alarming increase in hard substance use like heroin and crack we need measures that tackle the program twofold: to help cut off the supply through tougher policing and air surveillance with seizure of drug profits and second, and most important, to look at choking the demand.

The fact is we cannot succeed in addressing Canada's drug abuse program by getting at the suppliers. It does not work in the United States or in Europe and it is not working in Canada. What we need and what we are waiting for from this government is a coherent policy that looks at demand, that builds drug education programs for youth, that builds rehabilitation programs to get users off drugs and help them rebuild their lives; in other words, prevention and cure.

I urge this government to improve programs and to look also at the serious rise in the measure of prescription drugs. The reports from constituencies across the country, especially in Montreal and Toronto, are to the effect that the money, the programs and the educational initiatives must work together. We know that $270 million has been put into the substance abuse program, but we still do not know, six months later, how this money is being spent. Is it spent with community groups and volunteer associations in building drug prevention and rehabilitation programs that deal with the cause as well as the symptoms of substance abuse?

I am anxious to hear from the parliamentary secretary tonight, not some round-up of general statistics, but specific examples on what this government is doing with and for the people affected.

Mr. Ken James (Parliamentary Secretary to Minister of Labour): Mr. Speaker, I want to thank the hon. member for Davenport for raising this most important issue, one which concerns all Canadians, especially those with children. It gives me the opportunity to tell how the government is dealing with harm caused by substance abuse.

In 1987 we announced Canada's drug strategy. Phase one brought $210 million over five years. Seventy per cent of this money was directed at prevention, education, rehabilitation and treatment. Communities right across the country have been mobilized.

The results were that first-time alcohol use by youth between grades seven to 13 has dropped from 84 per cent to 65 per cent. Between 1987 and 1991, 1,100 native communities participated in addiction awareness week, compared with only 84 communities in 1987.

At the end of March the hon. Minister of National Health and Welfare confirmed this government's long-term commitment to reduce harm caused by substance abuse. Two hundred and seventy million dollars, an increase of about 18 per cent over phase one, was allocated to Canada's drug strategy. The strategy still emphasizes community participation. Once again, over 60 per cent of the strategy money is geared toward prevention in which the hon. member is interested.

This government continues to be determined to tackle alcohol and drug abuse. Canada's drug strategy continues to provide both financial and technical assistance to local communities.

Thirty million dollars over five years will be given to community action programs and $77.5 million will be allocated to cost shared treatment programs in partnership with the different provinces. These moneys will target groups that our nation-wide consultation recommended.

HUMAN RIGHTS

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I gave notice of my intention to transfer this question to debate on the adjournment motion because it sat on the Order Paper for eight months without the courtesy of a response.

The question concerns the International Year for World Indigenous Peoples, an idea originally advanced by the Grand Council of the Crees of Quebec through its ambassador at the UN, Ted Moses.

1992 has marked the 500th anniversary of Columbus landing in America, the beginning of the colonial era which saw the annihilation of aboriginal people by disease, wars, starvation and slavery. More recently governments have followed a more subtle process of cultural genocide using annihilation of self-esteem, destroying of people's roots or their contact with the land.

Around the world this has resulted in social problems such as chemical abuse, suicide, dependency on welfare, problems that colonial powers could easily argue are self-inflicted or based on character flaws of the oppressed.

There were many people, myself and my party included, who hoped that 1993 could mark the era or the end of an era of idolizing colonizers and the beginning of a period during which the injustices of the colonial period would be recognized and redressed.

There are some 300 million indigenous people in the world, but how many will be represented at the United Nations during the inauguration of the international year? How many will Canada be assisting to travel to New York to participate in the deliberations? How many is Canada consulting on the draft of the resolution which Canada has lobbied to present, proclaiming the official beginning of the international year on December 10? Indeed, how many have been involved in planning with the Government of Canada its activities at home and abroad during the international year?

When I attempted to find out the answer I was embarrassed. No wonder the minister's office called my office yesterday and asked me not to raise the question in the House.

In 1990 Canada assembled a disinformation crew from External Affairs and Indian Affairs to travel around Europe sanitizing the Oka crisis. More recently this bunch intercepted a report of the transnational corporation subcommittee of the UN working group on indigenous peoples on the James Bay Cree and circulated it to government departments for comments prior to its publication. The Cree of course were not one of those consulted.

Unfortunately the same wrecking crew has been put in charge of Canada's participation in the International Year of Indigenous People which is turning into a whitewash of Canada's record on aboriginal people while trying to maintain an international image of sanctity. The result is that Canada is contributing perhaps $90,000 to $100,000 to the UN voluntary fund and its over-all budget for the international year is so small that it will have no impact whatsoever on indigenous people around the world.

Canada says it has no money to assist Canadian aboriginal organizations to send their representatives to New York. Canada even tells them that their speeches would have to be vetted by the government if they joined the Canadian delegation so that they would not embarrass the government. Canada is only taking one aboriginal person, Chief Wendy Grant of British Columbia, to be a part of its federal team at the inaugural meeting.

Canada is paying to have representatives of the departments of External Affairs and Indian Affairs to argue full time against the collective rights of world indigenous people and against the principle of self-determination, even though these principles are enshrined in the United Nations charter. They are working on a resolution proclaiming international year which Canada is going to present, and according to one international participant Canada's resolution is getting weaker and weaker, draft four is worse than draft three, draft five is worse than draft four. Canadian aboriginal organizations have not been consulted in the resolution until the last possible minute.

The worst result is that Canada has used the international year as an opportunity to divide and conquer aboriginal people at home.

The whole process is one which—

The Acting Speaker (Mr. DeBlois): Order please.

Mr. Benno Friesen (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I listened to the hon. member's remarks on this subject.

I was prepared to provide an answer to the questions that he has raised until I listened to his vitriolic and unconscionable caricatures of the government's work with aboriginal people. Therefore, I would not dignify his remarks by a response.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 38(5), the motion to adjourn the House is now deemed to be adopted. The House therefore stands adjourned until two o'clock tomorrow afternoon, pursuant to Standing Order 24(1).

The House adjourned at 6.30 p.m.

HOUSE OF COMMONS

Wednesday, November 25, 1992

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

CANADA POST CORPORATION

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, I would like to return to the subject of Canada Post closing or cutting back post offices in rural areas. Since 1986, when Prime Minister Mulroney appointed Donald Lander president of the corporation, 1,300 post offices across Canada have closed or their services have been reduced.

This is an attack not only on rural Canada but also on the 3,000 or so postal employees who lost their jobs. Canada Post says that the purpose is to reduce the corporation's costs and improve customer service. The facts contradict this.

[*English*]

I call upon this government to instruct Canada Post Corporation to immediately abandon its policy of closing rural post offices. It is time to put a halt to this blatant disregard for the fundamental nature and character of rural Canada.

* * *

[*Translation*]

FEDERAL BUSINESS DEVELOPMENT BANK

Mr. Marcel R. Tremblay (Québec-Est): Mr. Speaker, since I was elected in 1984, I have been asked to advise many small business owners throughout my riding. I have been able to advise them with the help of resource people in various departments and Crown corporations.

I would like to pay special tribute today to the management and staff of the Federal Business Development Bank. This organization, created in 1944, was the first bank in Canada to provide term loans to small and medium sized businesses.

Now that many sources provide such loans, the FBDB complements private sector institutions by lending money to companies that cannot obtain financing elsewhere on reasonable terms. It provides funds for business expansion, capital acquisition, the purchase of existing businesses and loans to increase working capital in support of sales growth and also advises more than 100,000 entrepreneurs a year.

I congratulate these remarkably capable managers!

* * *

[*English*]

BILL C-91

Mr. Jim Karpoff (Surrey North): Mr. Speaker, the Tory government is determined to prevent the legislative committee from having a full and thorough examination of Bill C-91, a bill which will result in higher drug prices for families, seniors and provincial drug plans.

The government directed the committee to restrict witnesses in order to end hearings by next Wednesday and report back to the House by next Friday. This is a complex bill. Over 80 individuals and organizations, including ministers of health, seniors, industry spokespersons, unions, consumer groups, health professionals, as well as federal ministers and officials wish to appear.

The New Democratic Party demands that all significant witnesses be heard. We will not facilitate the government ramming this bill through committee against the interests of consumers, seniors and provincial health plans.

* * *

BILL C-91

Mr. Scott Thorkelson (Edmonton—Strathcona): Mr. Speaker, as a member of the legislative committee on

Bill C-91, a bill to extend the patent protection for new drugs, I want to get on with the business of hearing witnesses.

Government members want to get into the serious work of the committee. We want the bill to be the best possible bill at the end of the hearing. Investments are at stake. Jobs are at stake. Researchers from the University of Alberta are eagerly waiting to be called. At meeting after meeting I have been urging my opposition colleagues not to disappoint Canadians by making a mockery of the committee process. Let us get on with the business. Let us hear some witnesses. We need the $500 million in investment. We need the new jobs and we need to study this thoroughly.

* * *

HEALTH

Mr. Jim Peterson (Willowdale): Mr. Speaker, one in every 10 Canadian women will receive during her lifetime the devastating diagnosis of breast cancer. More than 14,000 women will be so diagnosed this year alone. Half of those diagnosed will die from it. It is the leading killer of Canadian women aged 35 to 54.

In spite of these figures, the incidence and survival rate for breast cancer have remained relatively unchanged for the past 20 to 30 years. The subcommittee of this House on the status of women reported: "There are big gaps in knowledge about breast cancer, the causes, the solutions, the appropriate treatment. This lack of knowledge exacts a price which is far too great".

This government has said that it will soon be announcing major spending cuts. On the eve of these cuts, I urge that more, not fewer, resources be devoted to the prevention, detection, cure and ultimate elimination of the disease breast cancer.

* * *

[*Translation*]

AUDITOR GENERAL

Mrs. Gabrielle Bertrand (Brome—Missisquoi): Mr. Speaker, the Auditor General's Report tabled yesterday in the House of Commons reflects his commitment to focusing on the real problems.

As the Auditor General admitted himself, there is no easy solution to some of these problems. However, he stressed the need for a better understanding of their impact and for taking constructive measures to deal with them.

I would like to read to you what he said in the first paragraph of his introduction, and I quote: "For several years now, Canada has experienced slow economic growth, business closures and high unemployment. Canada is not unique: other industrialized nations have experienced similar downturns. As Auditor General, and as a Canadian, I am deeply concerned about the economic challenges Canada faces both nationally and internationally, and about their impact on individual Canadians. Canadians are very worried about the impact of annual deficits and the accumulated debt on their standard of living and that of future generations of Canadians. At the same time, they expect the government to provide more, not fewer, services. The government's dilemma, which is not really new, is that its financial resources are constrained, while demands on those resources increase".

The Auditor General is the government's watchdog for the administration of our public finances, and that is as it should be.

* * *

[*English*]

SOCIAL PROGRAMS

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, there has been a lot of talk from government about cutbacks on spending and social programs. More than ever older Canadians are worried about the future of the programs they rely on.

Seniors are concerned about the future of medicare, old age pensions and independence programs.

The Minister of Finance should realize that money spent today on seniors independence programs could save millions or billions of dollars in the future. Money spent on housing programs would not only create jobs for unemployed Canadians, it would provide older Canadians with decent affordable housing.

Seniors still remember the government's attempt to deindex their pensions.

I call upon the Minister of Finance to give seniors the guarantees they need that valued programs will not be cut by this government.

GUN AMNESTY

Mr. Doug Fee (Red Deer): Mr. Speaker, I want to compliment the Minister of Justice for extending the November gun amnesty.

For the sake of safety, the minister is right to encourage Canadians to surrender prohibitive weapons and those no longer in use.

• (1410)

However, Canadians have long assumed that they have the right to own and enjoy property. Under the new firearms regulations, some have been required to turn in firearms that were legally purchased in Canada. I ask the minister to seriously consider the possibility of compensating individuals for voluntarily turning in newly prohibited firearms that they legally own.

No one has a greater stake in ensuring public safety and proper firearms use than law abiding gun owners. Providing compensation would demonstrate in a concrete manner the government's repeated statements that gun control laws are aimed at those who break the law and not those who follow it.

* * *

PAKISTAN

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, last week former Pakistan Prime Minister Benazir Bhutto and many of her supporters were arrested for taking part in a long march to protest against the government of Nawaz Shariff.

Canadians were appalled at the sight of unarmed peaceful demonstrators being clubbed by Pakistan's security forces. These actions were an affront to basic human rights. In any society that calls itself a democracy, the right to have freedom of both association and expression cannot be denied.

The Canadian government should summon the Pakistan Ambassador to Canada and express Canada's outrage at the arrest and beatings of the peaceful marchers. By not vehemently expressing our anger, Canada risks being seen as condoning those actions.

Human rights have no borders. Any relations that Canada has with Pakistan and indeed with all countries must be considered in this context.

BILL C-91

Mr. John E. Cole (York—Simcoe): Mr. Speaker, I rise today as one of the sitting members on the legislative committee studying Bill C-91.

This week we have been trying to organize and arrange meetings so that we can accommodate the many witnesses that want to come and appear before this committee, speaking for both sides of this issue, whether they are industry, labour or corporate interests.

These meetings are being filibustered. These meetings have been obstructionist. We are not getting anywhere with these meetings. The opposition is not co-operating at all. We have put forward the names of ministers, of many people to come before this committee. We have offered to sit around the clock. We have offered to sit on weekends. This is no good for the opposition.

It is time to put this kind of nonsense aside. This kind of thing is not respected in the House of Commons. We must get on with hearing witnesses, making this a better bill and getting on with the investment, thus making a better economy for this country.

* * *

OZONE LAYER

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, the thinning of the ozone layer is costing Canada millions of dollars in lost productivity, damaged crops and increased health costs. Thousands of Canadians are developing skin cancer and cataracts and millions more are exposed to radiation levels that will result in illness and death.

Yet today in Copenhagen, the environment minister put on his rose-coloured glasses and did the scientific two-step so he could reassure Canadians about the ozone destroying compound, methyl bromide.

I quote from the June 1992 United Nations report on methyl bromide and the ozone layer: "scientists and governments have also identified methyl bromide as the major contributor to stratospheric bromine. Bromine is directly involved in the catalytic destruction of ozone". The best solution this minister has to offer Canadians is a mere 25 per cent reduction in methyl bromide use by 1998.

I urge this government to show some real leadership. Take off your rose-coloured glasses, put on your UV protected sunglasses and ban methyl bromionde.

* * *

COMPETITION ACT

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, the Competition Act demands that merchants sell goods at advertised prices. Yet right across this country merchants today are advertising goods, knowing that there are taxes and other charges ranging from the GST, the PST to the gas guzzler tax and the tire tax and other taxes and charges that materially affect the ultimate price of the product.

This advertising of products is deceitful and almost bordering on the fraudulent.

I call upon the government to immediately produce amendments to the Competition Act to force merchants to sell goods at the advertised price unless the ad specifically sets out that the price is plus taxes and charges and sets out exactly what those taxes and charges are.

* * *

EMERGENCY RESPONSE PLAN

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, the report of the Auditor General has given the government a failing grade in preparing Canadians for the event of an emergency.

Since 1987 the Auditor General has been calling for improvements to Canada's Emergency Response Plan. Five years later, we see that longstanding problems in federal emergency planning have not been addressed.

The proposed national earthquake plan is still not complete. There has been no follow-up on the recommendations of the 1986 report on the Bhopal chemical disaster. A review on the Chernobyl nuclear disaster recommending major improvements to Canada's nuclear emergency response plan has been virtually ignored.

Last year, a number of my B.C. colleagues and I visited the Hanford nuclear reservation in Washington just south of the B.C. border. We learned that the Canadian government had failed to develop adequate co-ordinated emergency response measures in the event of a chemical or nuclear explosion at Hanford which could affect B.C. communities.

The Auditor General's report is vindication that my colleagues and I were right. Canada is not adequately prepared in the case of accident or disaster, be it nuclear, chemical or natural.

* * *

ARTS AND CULTURE

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, with virtually all sectors in Canada the cultural community is experiencing severe financial, pressures.

In fact, in many budgets, both public and private, contributions to the arts have become the most tempting targets to cut. Unfortunately, the threshold of cultural funding is already too low for survival in many instances and a number of Canadian institutions, both large and small, are now in serious jeopardy. As they are compelled to close their doors, there will be a special kind of pain to this recession.

As budget priorities are reordered, we must not too quickly forget that the performing arts, the cultural industries and indeed even the CBC are among the most important ties that bind our country together.

Neither should we neglect the reality that culture is an area of significant potential for economic growth representing close to 3 per cent of our gross domestic product and growing as an important export industry.

It should also be remembered that the cultural threshold is so low to begin with that even marginal increases in cultural investments will pay disproportionately high dividends in terms of public spirit and economic return.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

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

In the past three weeks, interest rates have increased nearly three percentage points and the consequences are very obvious. For every point more in interest rates, the government has to spend virtually $2 billion. It is adding to the deficit all the time. In turn, when business people borrow money they have to pay much more than the,

business people with whom they are competing in the United States.

Jobs cannot be created and in not creating jobs, the number of unemployed is increasing. When will this government understand that the policy of fighting inflation at all costs is the wrong one and the time has come to have a policy that will create growth and create hope in our nation?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I share the view of the hon. Leader of the Opposition that high interest rates are certainly having a dampening effect upon the economy and economic recovery.

I also point out to him that in order to maintain low interest rates over the long term we have to get at the fundamentals. That is essentially to bring inflation down and to keep it down. That has been one of our primary objectives.

There are concerns as a result of the volatility in the exchange market and indeed concerns in the financial market with respect to those who hold Canadian bonds and bills. There is a degree of concern as a result of the referendum. There is concern about the extent of the deficits, both at the federal and provincial levels. There is concern over the current account deficit.

This has all been focused on, particularly as a result of the focus which has been placed in Europe with respect to the United Kingdom, with respect to France, with respect to Italy and a number of other industrialized nations.

Really what is happening is that market forces are forcing up interest rates, and I think the hon. member understands that.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, the Minister of Finance is trying to find all sorts of reasons, but we have noted that the interest rates started to go up the day the Prime Minister said that he was to stay the course. People abroad know that staying the course is a disaster for Canada.

• (1420)

Why does the government have a policy of doing nothing when the community today is meeting, or there is a meeting of finance ministers to be held very soon, to decide on an approach to economic policies in Europe that would be oriented to growth and stop that problem of fighting only inflation? They all have fiscal problems, but they know that fiscal problems get worse when there is a depression and no growth in the economy.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I understand it is a legitimate policy position that the Leader of the Opposition takes. He is suggesting that we borrow more, that we spend more and the heck with inflation, the heck with the deficit.

Mr. Harvard: He never said that, Don.

Mr. Mazankowski: That is not the position we will take. We have charted a macroeconomic course over the medium term of price stability, fiscal consolidation and economic restructuring. Those are important and vital. It is a vital policy stance to take for the medium term. That is what we intend to follow. It is important for the hon. member to understand that and it is also important for the people of Canada to understand that.

Mr. Peterson: It's disastrous and did not work. Shame.

An hon. member: Good prescription for a depression.

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, it is pretty obvious this government is totally paralysed, but he says this is just the opposition's opinion. For months we have made it clear that we are in favour of a policy that encourages economic growth and lower interest rates, and if the dollar is weaker, we can live with that. We are not alone. The Quebec minister of industry and commerce, Mr. Tremblay, said the same thing yesterday.

I would like to quote the editorial writer of *La Presse*, who said this morning:

> Brian Mulroney will have to decide whether he wants to maintain the dollar at any price, which means more unemployed workers, more people living in poverty and more businesses down the drain, because the economy will not recover as scheduled. Is a 77-cent dollar worth the price in broken lives and lost hopes?
>
> It is time Mr. Mulroney opted for economic recovery.

When will the government wake up?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. Leader of the Opposition knows very well that you cannot isolate yourself from the reality of the global financial markets.

A trillion dollars changes hands every day in the financial and exchange markets.

Mr. Chrétien: They have no confidence in the government.

Mr. Mazankowski: The hon. member says they do not have any confidence in the government. Quite frankly, he is absolutely wrong, because the policy stance we are following is endorsed by the G–7, the OECD, the World Bank. It is the only course we can follow. We cannot borrow our way out of this particular difficulty. It is going to require a balance to contain the deficit, to maintain those fundamentals which will keep inflation down. That is the long–term menu and agenda for bringing about a strong economy with job creation and hope and confidence for the future.

* * *

REPORT OF THE AUDITOR GENERAL

Ms. Sheila Copps (Hamilton East): I want to ask the Minister of Finance about the affair of the untaxed Barbados billions. The Auditor General says that offshore schemes like surplus stripping in Singapore and upstream loans in Liberia amount to a legally sanctioned tax rip–off by the Canadian government.

Why does the minister think this tax evasion is so good and why is he promoting a policy of international tax piracy for multinational corporations?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the dual objectives being followed are to ensure that we maintain international competitiveness while at the same time protecting the tax base of Canada.

My predecessor closed a number of these tax loopholes and introduced the general anti–avoidance rule which is being implemented. The government also monitors on an ongoing basis the tax regimes of other countries. Also, there are policy decisions that are taken from time to time which sometimes are perceived as tax loopholes but are really incentives to encourage economic growth and activity.

Furthermore, as the Department of Finance outlined in its response, there is really no conclusive evidence that the amount of money identified as being lost by the Auditor General can be substantiated. I invite the hon. member to read the response that the Department of Finance provided in the Auditor General's report.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, listen to the tired old answers of the Minister of Finance. The problem is he is not listening to the fresh evidence of the Auditor General.

[*Translation*]

Yesterday the Auditor General said that letting the rich enjoy the fruits of tax evasion on the beaches of Portugal or under the palm trees of Barbados was grossly unfair to Canada's unemployed.

Why is the minister more interested in supporting these international buccaneers than in announcing employment policies for Canadians?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, in the department's response contained in the Auditor General's report the point is made that the claim is unsubstantiated. It goes on to indicate that "the Auditor General has failed to indicate that most of these concerns are the result of policy decisions. Moreover, he also overstated the impact of the rules on revenue collection while understating the degree to which any problems have already been addressed by existing legislation".

While there may very well be a fundamental difference in the point of view on this, what really has to be indicated is the fact that there is a response. This is a matter that can probably best be exposed during the committee hearings. We would be glad to have our finance officials appear to make the case that has been contained in the response included in the Auditor General's report.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, the Minister of Finance continually cites the general anti–avoidance rule as a measure that the government has taken to avoid this kind of tax evasion. The Minister of Finance used this yesterday. I had hoped that by today he might have read the Auditor General's report and noticed that the Auditor General says that no reassessment pursuant to the GAAR has taken place as of 1992. The fact is that this is not working.

Why does the Minister of Finance think it fair, when the taxes for the average Canadian family have gone up some $3,000 since 1984, for a select few to be able to take advantage of this kind of tax rip-off? When is he going to act on this? What he has done so far is not working.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the Auditor General is an officer of Parliament. I respect his position and I respect him very much.

However, I have to say there is no solid evidence which supports the contention that hundreds of millions of dollars in revenue have been lost under this particular provision. I say that in all sincerity. There may be a difference of opinion on this, which would not be the first time that has occurred.

I say to the hon. member, that is our view, that is what we have said in the response and that is what we stand by.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, does the Minister of Finance not know? Just look at yesterday's papers. There is an entire industry out there inviting Canadians to pay money to attend seminars where they can learn how to rip off the Canadian tax system, pursuant to some of the very things the Auditor General pointed out.

I ask the minister to look at yesterday's papers. Also, does he think it is fair that a Canadian company should be able to borrow money in order to invest in a foreign country and create jobs there, deduct the interest from that loan, make profits in that country, not pay taxes on those profits, then bring those profits home and have that money exempt from Canadian taxes through the dividend tax credit?

The interest deductibility rule and the dividend tax credit are two things I have raised time and time again in this House. When is the government going to do something about these rip-offs?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): I repeat there is no solid evidence to support the contention that hundreds of millions of dollars of taxpayers' money have been lost in this particular exercise.

The hon. member knows very well that Canada's tax system has to be competitive with other regimes in the world. International competitiveness, while preserving the tax base, is clearly the objective of the Department of Finance. It is clearly my objective and I will continue to work toward achieving that.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, does the Minister of Finance not realize that this points out the moral flaw in this whole issue of globalization? He gets up and talks about having to be competitive and what he means is we have to have a tax system that is as corrupt and as loose as everybody else's tax system. That is what is wrong with globalization and the free trade agreements.

• (1430)

Mr. Tobin: Ask Bob Rae.

Mr. Blaikie: The Minister of Finance constantly talks about the deficit. Will he show that he is serious about distributing the burden of deficit reduction fairly and give a commitment to this House today that he will not, as he plans to do this afternoon, take one step further in extending the tax exemption that exists for private family trusts in this country?

An hon. member: Right on.

Mr. Blaikie: Why does he want to continue to protect the richest families in this country, as the Liberals did before him?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I would be very interested to learn how the hon. member is going to single-handedly, or perhaps with the assistance of his colleagues, fight globalization, fight trade liberalization and fight international competitiveness.

How will he be able to do that and still maintain Canada as a viable place to do business, in order for it to be a global trader, a global trading partner that will provide jobs and economic opportunities for all Canadians? That is the way the world is unfolding. I wish the hon. member would get on board.

Hon. Herb Gray (Windsor West): Mr. Speaker, I too have a question for the Minister of Finance but first I would point out to him that the Auditor General says in his report that he "analysed National Revenue's taxation 1990 information return data base". He concluded that hundreds of millions of dollars are being lost through tax loopholes based on foreign tax havens.

The Auditor General reported yesterday the cost of implementing the GST has risen to a total of some $1.7 billion. Why was this money not spent instead on improving the health care and skills of Canadians, and above all, on creating more private sector jobs through

getting the economy moving instead of holding it back with the dead hand of the GST?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, since the hon. member wants to quote from the Auditor General's report I will do the same thing with your permission and read the response to the observations about the so-called loopholes.

The finance department's response is as follows: "The audit note alleges a number of concerns with respect to the taxation of foreign affiliates and foreign source income. In particular, the Auditor General claims that hundreds of millions of dollars in tax revenue are being lost. This claim is unsubstantiated".

Hon. Herb Gray (Windsor West): Mr. Speaker, the minister has not explained what the Auditor General found in the 1990 Taxation Canada data base. He has not answered my question about the GST so I am going to ask him another one.

The Auditor General also indicated the government has hired 4,000 more people to administer the GST. Why has the government hired all these bureaucrats to enforce an unwanted tax when the country has such a desperate need for improved health care, skills training, environmental protection and above all more private sector jobs? Why has this government got such a twisted sense of priorities?

An hon. member: Do a spin for us.

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, the only twisted sense of priorities is in the context of the hon. member's question. When he is referring to the Auditor General *vis-à-vis* the GST, the Auditor General said quite clearly that the government's spending on the GST has been duly authorized by and and fully reported to Parliament.

If the hon. member had been awake over the last three years, he would have known that this government, through estimates over a period of three years, has laid out the figures, both PY and dollar wise in detail so that they match exactly that of the Auditor General's report.

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, my question is for the Minister of National Revenue. The Auditor General was critical of the government for its management of the GST and in allowing tax avoidance through foreign investment.

Will the government now admit that the GST rebate, for example, designed for low and modest income Canadians with a single maximum $33,000 a year was paid in 1991 to 12,481 people with reported incomes over $100,000 a year, some of them over $200,000 a year, and that it was partly because of allowable deductions for investments in foreign nations compliments of this government.

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, I cannot match the hon. member's showmanship unless I put my skates on.

My hon. friend knows that the GST credits are based on net income and treat all Canadians fairly and equitably. As far as the Auditor General's report is concerned, I think the hon. member should have stayed in the lock-up longer yesterday instead of depending on media reports.

If he reads the Auditor General's report he will note that the Auditor General is not in any way, shape or form critical of GST spending by this government. What he did was add up the costs of three years which we report to Parliament on an annual basis. It does not take a rocket scientist to add up those three figures and I know that there are no rocket scientists on the other side or in the media, as a matter of fact.

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, the minister is suggesting that there is no special deal here for the wealthy when it applies to the GST rebate.

I point out to the minister that the only deduction he talks about for ordinary Canadians involve the number of children. In other words, you have a maximum of $33,000 a year and for each additional child you can make an additional $2,000 a year.

Does the minister not realize that in order to get the GST rebate, if you were making $100,000 a year, you would have to have 35 children under the age of 18? That would have to be some man or some woman.

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, if we are talking about 35 children in one family, my hon. friend is a better man than I am, I will tell you that.

The member knows that the GST credit is based on fair and equitable treatment of all. It is based on net income and provides for deductions, not only for children, but for charitable contributions, for pension contributions, for research and development, for business investments and business losses—the list goes on.

If the hon. member is suggesting that this government take away the incentive for business investments and take away the write-offs for ordinary Canadians then we do not agree with him.

* * *

AIRLINE INDUSTRY

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

The minister announced the $50 million package for Canadian Airlines yesterday, an amount, by the way, that could buy 90 per cent of the company on the open market at the close of trading yesterday. The government disclosed to this House that American Airline's proposal will give the American company complete control over who runs Canadian Airlines, their business plans, their capital expenditures and any mergers or acquisitions.

Is it the policy of the Government of Canada to allow an American company to take control of one of Canada's national airlines?

Hon. Jean Corbeil (Minister of Transport): Definitely not, Mr. Speaker.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, yesterday's statement by the minister in the House and remarks to the media, in conjunction with some contradictory statements by his cabinet colleagues, have really muddied the public's understanding of what policy direction this government has taken the airline industry in.

Is the government prepared to finally reintroduce some form of pricing controls and some form of routing controls in order to assist both carriers to survive in the long term? Is the government prepared to take that necessary step?

• (1440)

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, in my statement yesterday I indicated that if there was no self-discipline imposed by the companies themselves, that we were actually working on some solutions to have some calibration measures introduced in legislation.

* * *

REPORT OF THE AUDITOR GENERAL

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, my question is for the Minister of Finance. The Auditor General said that in the case of the Westray mine project, the federal loan guarantee provided by the government covered, and I quote: "about 103 per cent of pre-production costs".

Why did the minister and the Government of Canada go to such lengths to accommodate the promoters of the Westray mine project?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, in his report the Auditor General talked about theoretical possibilities, and he has every right to do that. In fact, in the actual world of Westray and Curragh what he suggested did not happen.

What happened was that the tax sweeteners that were to be there never materialized. Also, the Auditor General failed to mention that if ever they had materialized, there would have been a pay down of the loan, which he forgot to acknowledge. As we stand here today we have a company which has already lost $28.5 million.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, my supplementary question is for the government House leader. He will know that 26 men have lost their lives. Management fees which had been paid to the promoter in this particular case have totalled $9.9 million. There was a federal loan guarantee the equivalent of 103 per cent on pre-production costs and there is no enquiry in the province of Nova Scotia.

Will the government House leader indicate to the House today that he and his government are prepared to have an inquiry on the Westray mine project and stop covering up all of the facts surrounding this particular deal? Will he give us that undertaking today?

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

er, I reject absolutely any accusation of cover-up. I remind the hon. member that all of the documents released pertaining to all the federal government activity are available. He need only go over and read them.

* * *

AIRLINE INDUSTRY

Mr. John Manley (Ottawa South): Mr. Speaker, my question is for the Minister of Transport. Yesterday in the foyer outside the House of Commons the Minister of Justice stated that there may be more loan guarantees for Canadian Airlines International. Was the Minister of Justice manoeuvring in the Tory leadership race?

Will the Minister of Transport tell us what conditions and what timetable he has for giving additional loan guarantee assistance to Canadian Airlines.

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I would like to point out to the hon. member for Ottawa West that in a statement yesterday, the president of PWA said that the $50 million financial assistance will provide the corporation with funds sufficient to meet its current operating requirements. I think you have the answer there.

Mr. John Manley (Ottawa South): Mr. Speaker, I am afraid the minister did not hear the question.

Yesterday he said there would be no further assistance and the Minister of Justice said there may be further assistance. Could we please have a clear statement on at least one thing from the Government of Canada? Will there or will there not be more assistance to Canadian? If so, under what conditions?

[*Translation*]

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, perhaps I did not understand the first question, but surely the hon. member did not understand the answer I just gave him either.

We agreed with PWA and the employees that we would give them $50 million in financial aid. The employees and the company said that was enough and that is the agreement on which we consented to participate.

[*English*]

COMPETITION ACT

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs. The minister will know that every time he goes to the store to buy something, the price that is advertised is not the price he pays. He has to pay the GST, the PST, and in many cases other charges and taxes on top.

Will the minister amend the Competition Act or introduce amendments to the Competition Act to make merchants sell goods at advertised prices, or in the alternative specifically set out the taxes and other charges that are in addition to the price advertised in the advertisement?

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, my hon. friend raises a very important element. It is the responsibility of any store to get the right information to the consumer. It is very important.

I know in some circumstances there are different approaches. Some are with GST included, the PST included, and some other taxes included like in Ontario, but in co-operation with my colleague, the Minister of National Revenue, I would be ready to look at maybe delivering some guidelines to the stores to make sure the information is available.

We will ask the director of the Competition Bureau to look at this matter closely.

* * *

SMALL BUSINESS REPORT

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, I have noticed that the recent annual report of the minister responsible for small business lacks the glossy lustre of reports of the past.

My question to the minister is: Can we conclude that this new look also represents savings for the government coffers?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, the cost of the new report is 25 per cent less than the costs of previous ones.

What was particularly innovative this time was that we tabled a diskette. For another 25 cents one can buy a diskette, download the diskette and disseminate the information hundreds of times virtually without cost.

I should like to see this reform used for other annual reports in Parliament because it will save the Government of Canada and the people of Canada a great deal of money.

In this particular case we were helping to give strategies to small business to increase its exports.

* * *

IMMIGRATION

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, my question is for the Minister of Employment and Immigration.

The minister has announced that processing of immigration applications which has slowed down since he downsized the department staff will be handled by a simple processing unit at Vegreville.

The Globe and Mail reports that a similar system in the United States has caused new delays.

Can the minister assure us that the Vegreville system will not cause a further decline in client service?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Yes, Mr. Speaker, I can give that assurance to the hon. member.

We have been experiencing with mail-in applications in our immigration centres in Toronto, Montreal, and Vancouver for the last couple of years clients of employment and immigration having faster service under this scheme, and taxpayers will save $6.5 million a year, which is not negligible.

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, I have in my hand a memorandum that the director of inland operations, Ontario region, wrote in September to all managers in the CEIU in Ontario. It says that all five models of the new system will cause backlogs of client applications, backlogs of administrative functions, and that client service will suffer.

Can the minister explain to this House why he did not heed the advice of his senior Ontario official and whether he will stop this new system now until a more workable system can be found?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I will not stop trying to give Canadians better service. This is exactly what this new case processing centre will do for Canadians who deal with immigration.

For the information of the hon. member, the officials of my department have recommended to me that we proceed in that fashion. After having taken full cognizance of this case processing centre and the technology that will be used, I have recommended it for approval. The government has decided to go ahead, again with a view to saving Canadian taxpayers at least $6.5 million a year.

* * *

• (1450)

HOUSING

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I have a question for the Minister of Finance.

During 1992 the government introduced two programs to help Canadians purchase affordable housing. The first was the 5 per cent down payment for new homes and the second was the RRSP provision to assist in the acquisition of homes either new or existing ones.

My question pertains to the RRSP. Has there been a measurable impact upon the RRSP with respect to the stimulation of the new housing market? Based on present experiences, would the minister be willing to consider extending that program beyond the present expiry date of March 1, 1993?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I thank the hon. member for his question.

As of this date I believe some 130,000 withdrawals have been made under the RRSP. We do not have accurate statistical data as to the number of homes that were actually constructed as a result, but we are satisfied and comfortable with the fact that at least 100,000 homeowners have been helped in this particular process. At least 6,000 new homes will have been built as a result of this program.

In so far as the latter part of his question is concerned, I think it is fair to say that this has been a successful program. I will take the latter part of his question as a representation.

* * *

EXTERNAL AFFAIRS

Mr. George S. Rideout (Moncton): Mr. Speaker, my question is for the Secretary of State for External Affairs.

Last night on the *Fifth Estate* we saw the horrors in Brazilian jails. Military police invaded the prison with guard dogs. The police fired over 5,000 shots leaving 238 prisoners dead. The threat of death and violence hangs over Christine Lamont and David Spencer every day.

The minister said yesterday that Brazil may not expel, but just this year a Chilean prisoner was sent home under an expulsion order. Why will the minister not request the expulsion of David and Christine?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, the term expulsion is used to apply to a lot of things in Brazil that have nothing to do with expulsion as the hon. member understands it.

The Chilean who was expelled from Brazil was actually extradited. Our understanding of the term is that he was extradited home to stand trial for offences that he had committed in Chile. He was not expelled under the provision that is being looked for or that would be said to apply under these conditions. It is actually an extradition.

Mr. George S. Rideout (Moncton): Mr. Speaker, I have a supplementary question.

Premier McKenna said last night that he was very concerned about the safety of Christine and David and he characterized the judgment as extraordinarily callous and cruel. The Prime Minister has said that he was profoundly troubled by this case.

Canada is known world-wide for its compassion. Will the government honour the Prime Minister's commitment to Premier McKenna and compassionately request the expulsion order to bring them home?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, we have all expressed our concern about the length and severity of the sentence that was applied to Mr. Spencer and Ms. Lamont. I have said so myself. I think the sentence is excessive.

That is why we look to the appeals that we believe are about to be heard on the length of the sentence; and we are looking forward to seeing the results of this in the very short term. We are hoping those sentences will be reduced as a result.

* * *

SEXUAL HARASSMENT

Ms. Mary Clancy (Halifax): Mr. Speaker, last year two Halifax women employed by the Public Service of Canada lodged a complaint of sexual harassment against their supervisors. Two internal investigations found that sexual harassment occurred.

My question is for the President of the Treasury Board. I want to know what that minister is prepared to do to ensure that sanctions are applied in this case and that retaliation does not take place.

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I can tell the hon. member that I will look into the particular case of which I am not aware. I can assure her everything will be done to ensure there is no harassment.

Ms. Mary Clancy (Halifax): Mr. Speaker, I hope I can depend upon that but I have fears.

Yesterday one of the complainants was terminated by her supervisor. Another of the complainants has also been refused any attempt at a transfer and is consequently out of a job. I raised this matter last Thursday in the House and I raised it yesterday.

Again I ask the President of the Treasury Board: What guarantees does the minister have in place that there will be no retaliation like this again?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I think the hon. member is aware of the process we have in the Public Service to address these issues. I am sure they have been followed.

However, in this particular instance I will look into it, as I have told her, to be sure there is no retaliation, of course.

HUMANITARIAN AID

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, in the absence of the Minister of National Defence, I will direct my question to the associate minister of defence or the Secretary of State for External Affairs. I have given notice of the question.

In view of the dirge of bad news out of former Yugoslavia this might be a glimmer of some hope to a good many people still there. I have a letter from a constituent whose grandson is a sergeant with the peacekeeping force in Yugoslavia. He wrote to his grandmother who happened to be a constituent of mine.

As a result church groups in my area collected over two tonnes of used clothing. Through the bureaucracy of the Red Cross and Defence there does not seem to be any way to get this material to Belleville, hopefully to get it over there to help some of the children caught in that quagmire.

As a matter of humanitarian need, I am just asking them to break through the bureaucracy. At least one of the ministers could get a co-ordinator to find out how best this could be done. I understand this spontaneous grass-roots interest of citizens to help is spreading to many churches in Atlantic Canada. There is more than two tonnes of used material and clothing right now in one church alone.

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, I have stated in this House before that the policy of the government in terms of humanitarian assistance overseas is that we urge Canadians who wish to help, and we know that many Canadians do, to work with the international agencies in the position to assess needs in the region and the uses to which things can be put. We urge them to work with agencies like the International Red Cross and other organizations.

We do not have the capacity as a government to provide transport for the goods that people choose to send. I have warned Canadians before—and I would ask the hon. member to pass this on to his constituents and to his church groups—that international organizations are not in a position to use much of what is being collected. There are very particular needs; they have to be co-ordinated. Indeed we have hard evidence of goods having been collected and shipped to other parts of the world that have not been able to use them.

It is such a disappointment, I know, to those who want to give, but it is far better to work with the international organizations. I have a pamphlet on this that I would be prepared to give the hon. member for his groups.

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, I understand the minister's answer in part and I appreciate the bureaucracy involved.

My constituent, this 80-year old grandmother, Reverend Vaughan of the church and other churches have been in touch with the International Red Cross that has told them, much to my amazement, that the International Red Cross would help if it were money or if it were new clothing.

Surely used clothing in the horror of Bosnia, Croatia, and all the other places over there including Yugoslavia, could be of some help since we do have transport going over there from time to time. It might help to have at least some officer either in Defence or in External Affairs to be the co-ordinator to talk to the citizens of Canada and tell them the answer, that there is no hope or they might be able to do something rather than meet the stone wall they have met until now.

Mr. Speaker: We will get on to the answer, if the minister wishes to answer.

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, this is not the bureaucracy. This is the result of careful planning in which those of us at the political level have been involved.

I had asked my department to look at all the ways and bring all the imagination that it could to how we could best help. Through working with international agencies the conclusion we have come to, not once but many times as we were examining this issue, was that we had to assist the international agencies in the way they advise us and they advise what is the most appropriate.

We do not have free transport or free space in transport going over. When our planes and our transport

go to places like this it is because they are full, because they are being utilized. They do not have empty space.

* * *

• (1500)

HUMAN RIGHTS

Mr. Raymond Skelly (North Island—Powell River): Mr. Speaker, my question is for the Secretary of State for External Affairs. In the *Toronto Star* she claims that her top two priorities are the defending of democracy and the promotion of human rights.

Amnesty International condemns Mexico for widespread torture, abuse of human rights and political corruption.

I wonder if the minister could explain to this House why we are involved in a free trade agreement with Mexico, and would she be prepared to appear before the subcommittee on international trade to explain this contradiction in the policy of the government.

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, there is not a contradiction in the government's policy.

In fact, we have worked very closely with the human rights' people in Mexico in an effort to assist the objective of their government in improving the human rights' conditions in Mexico. It is something about which we have been in regular touch with Mexico. We know that the president has made great strides toward improving the judicial system and the democratic systems within Mexico.

It is in the interest of Mexicans, as they move forward economically, that some of the assistance and the work that we do with them helps them also to move forward democratically.

Mr. Raymond Skelly (North Island—Powell River): Mr. Speaker, my question for the minister: Is Amnesty International through its last three years of reports on widespread torture lying or is the government's policy complete hypocrisy?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, the government's policy is certainly not complete hypocrisy. We can see that through the stands that we have taken in a great many countries.

We already trade with Mexico through the GATT and through other organizations, as well as bilaterally. Is the hon. member suggesting that we shut all that down?

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 23 petitions.

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

* * *

EXCISE TAX ACT

MEASURE TO AMEND

Mr. Ronald J. Duhamel (St. Boniface) moved for leave to introduce Bill C–377, an act to amend the Excise Tax Act (books and reading material).

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

Mr. Duhamel: Mr. Speaker, the purpose of this bill is to apply a zero rate of tax on books and reading materials with respect to the goods and services tax. It is not unlike a previous bill which I introduced which had a similar intent, but which was blocked by the government.

The House will know that I have received thousands of petitions on this issue and I am anxious to proceed. Hopefully I can get co–operation from all members of all parties this time.

Mr. Speaker: Mr. Duhamel moves that the bill be now read the first time and printed.

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

Bill read the first time and printed.

JUSTICE AND THE SOLICITOR GENERAL

AUTHORIZATION FOR STANDING COMMITTEE TO TRAVEL

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): I move:

That the Standing Committee on Justice and the Solicitor General be authorized to travel to Halifax, Nova Scotia from November 29 to December 1, 1992; and to Vancouver, British Columbia from January 17 to January 20, 1993, in order to hold public hearings on crime prevention, and that the necessary staff do accompany the committee.

Motion agreed to.

* * *

FORESTRY AND FISHERIES

AUTHORIZATION FOR STANDING COMMITTEE TO TRAVEL

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): I move:

That five members and the necessary staff of the Standing Committee on Forestry and Fisheries be authorized to travel to British Columbia and hold public hearings for three days during the last week of January, 1993 in relation to a study on salmon fisheries.

Mr. Jim Fulton (Skeena): Mr. Speaker, a point of order on the motion put forward by the parliamentary secretary. My understanding was that the hearings in British Columbia were going to be more than three days. Has there been some further consultation to limit the hearings on fisheries to only three days?

Mr. Edwards: Mr. Speaker, my understanding was—

Mr. Skelly (North Island—Powell River): Point of order, Mr. Speaker, would it be possible to—

Mr. Speaker: Just a moment, please. I wish that hon. members would just wait a moment to be recognized. The hon. member for Skeena rose and put a question. His colleague has an addition to that question? I recognize the hon. member.

Mr. Raymond Skelly (North Island—Powell River): Yes, Mr. Speaker, the question of the urgency of these hearings is absolutely critical. Continuously moving them back is going to create a great deal of hardship. I wonder if there is a possibility to do two things; first, to reconsider the time and to give it a closer proximity to the time of the problem, and second, to extend those hearings longer than three days? There is an illegal commercial fishery going on at the Nimpkish River at this time which we would like to see the Minister of Fisheries and Oceans address and shut down forthwith.

Mr. Speaker: I am going to hear the hon. parliamentary secretary in a moment. I listened carefully, as I am sure hon. members did, to the motion. The question raised has its own legitimacy, I accept that, but I have some doubt as to whether this is the place to be arguing this particular point.

Mr. Edwards: Mr. Speaker, I greatly appreciate your advice on this. I would go further to say that customarily these motions are agreed upon by the Whips of the various parties and I would recommend to both hon. members that the points they raised should be raised within their own caucuses or within the committee.

This is a recommendation that, as you are well aware Mr. Speaker, comes from the committee, was dealt with by the parties and consensus was arrived at among the parties. Any difference of opinion appears to exist in that quarter.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, perhaps I can be helpful. We should proceed with this motion and if there are other concerns that need to be raised to extend the period of time or the mandate, that could be done in the appropriate committee and then we could reconsider the motion. However, I think it would appropriate to move forward now and perhaps consider some additions to reflect the reality of British Columbia later.

Mr. Speaker: I thank the hon. member for Kamloops, because I am concerned that we are getting into a discussion on two things which, while connected they are different. I will recognize the hon. member for Cape Breton—East Richmond.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, just so that the record is clear, I want to concur with the comments of the parliamentary secretary to the government House leader about the usual procedure.

• (1510)

I believe that the suggestion made by my hon. colleague, the House leader of the New Democratic Party, is worth pursuing at this time. However, the record

should show very clearly that was the understanding which was reached yesterday by all three political parties.

Mr. Speaker: I thank the hon. member. The House has heard the hon. parliamentary secretary. Is there agreement?

Some hon. members: Agreed.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

* * *

BUSINESS OF THE HOUSE

PRIVATE MEMBERS' HOUR

Ms. Mary Clancy (Halifax): Mr. Speaker, I rise to seek the unanimous consent of the House for the withdrawal of Motion No. 698 in private members' hour this evening. Due to an immutable commitment, I am unable to be here. I would ask for unanimous consent that the motion be withdrawn.

Mr. Speaker: Is that agreed?

Some hon. members: Agreed.

Motion withdrawn.

* * *

FISHERIES

CLOSING OF ILLEGAL FISHERY ON NIMPKISH RIVER

Mr. Raymond Skelly (North Island—Powell River): Mr. Speaker, I seek unanimous consent to move a motion that would have the Minister of Fisheries and Oceans immediately close an illegal fishery that is occurring this day on the Nimpkish River on northern Vancouver Island.

Mr. Speaker: The House would have to give unanimous consent to that. Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

Mr. Speaker: There is not unanimous consent.

PETITIONS

BILL C-91

Mr. Jim Fulton (Skeena): Mr. Speaker, I am honoured to rise today on behalf of a large number of British Columbians who petition this House concerning Bill C-91 which seeks to end the licensing of further no-name generic drugs at an additional cost of at least $1 billion a year to Canadians.

Since the price of both new and existing drugs has already increased substantially to individuals, provincial and private drug plans since 1987 when Bill C-22 allowed up to a 10-year period of no generic competition, the petitioners pray to this House not to proceed with Bill C-91 and repeal Bill C-22.

SOFTWOOD LUMBER

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I have a petition from a number of people from the west coast of Canada. They draw to the attention of the House the fact that the United States has unfairly imposed a duty on our softwood lumber exports to that country, and has engaged in numerous other trade practices which amount to harassment of Canadian producers.

The petitioners also note that the free trade agreement between Canada and the United States has resulted in lost jobs and devastation to the Canadian economy while not providing the promised benefits.

The petitioners therefore call upon Parliament to request that the Prime Minister and the Minister for International Trade take any necessary action to defend the interests of the Canadian softwood lumber industry against the unfair duty. They also request that Parliament act immediately to effect the cancellation of the Canada-U.S. Free Trade Agreement.

IMMIGRATION

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I have two petitions to file pursuant to Standing Order 36.

The first petition points out that family-class and assisted-relatives historically have been an important part of Canadian immigration and that family-class and assisted-relatives have people in Canada to help them find employment, housing and learn Canadian customs and language.

The petitioners pray that the government undertake a change in policy direction that will give family-class and assisted-relatives first priority in immigration.

INDIA

Mr. Jim Karpoff (Surrey North): Mr. Speaker, my second petition points out that 75 per cent of all services in the immigration office in New Delhi are from people seeking assistance from the Punjab. They point out that it is very difficult for people to travel from the Punjab to New Delhi.

The petitioners call upon the government to immediately open a new Canadian consular service in the Punjab to provide not only immigration services but services for visitors' visas.

YOUNG OFFENDERS ACT

Mr. Brian O'Kurley (Elk Island): Madam Speaker, pursuant to Standing Order 36, I have the honour and the privilege to present a petition on behalf of hundreds of Albertans, many of whom live in my riding in places like Sherwood Park, New Sarepta, Beaumont and South Cooking Lake.

The petitioners ask that Parliament review the laws of Canada to replace the Young Offenders Act with an updated Juvenile Delinquents Act with a lowered maximum age of 13 years.

[*Translation*]

COURT CHALLENGES PROGRAM

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, I have another petition today on the Court Challenges Program which, as we know, was abolished by this government.

The petitioners urge the government to restore this program, and as of yesterday they are supported by a report from the Commissioner of Official Languages which shows the significant achievements of the program and the effect that abolishing it has on linguistic minorities. The Commissioner of Official Languages and the signers of this petition recommend that the government find a way to make it easier for Canadians to defend their constitutional rights in court, because it is fundamental in a democracy to be able to go to court. Thousands of people like these have already signed this kind of petition. I therefore ask the government to act as soon as possible.

[*English*]

BILL C-91

Mr. Bill Blaikie (Winnipeg Transcona): Madam Speaker, I rise to present a petition signed by many hundreds of people from Winnipeg who join many hundreds of thousands of Canadians in their concern about Bill C-91, which is now being fought in committee.

These petitioners ask Parliament to not proceed with Bill C-91 and to repeal Bill C-22, which was passed in 1987, so that Canadians will have the full benefit from lower priced generic drugs and so that provincial and private drug plans can serve Canadians without being forced to charge higher fees and provide less coverage.

JUSTICE

Mr. Garth Turner (Halton—Peel): Madam Speaker, it is a pleasure to rise in this House once again to present more petitions regarding the murder of Nina de Villiers and containing suggestions by many of my constituents that the justice system in Canada be changed.

These petitioners believe that crimes of violence against the person are intolerable and that they are the most abhorrent crimes facing society. The petitioners are asking that sentencing in crimes of violence more appropriately reflect our society's abhorrence of violence in order to act as a true deterrent.

They also point out that too often the risk to society posed by the early release of a violent offender appears to be a secondary consideration to the rights of the individual criminal. These petitioners are from many communities in my riding and are added to the thousands of constituents who have already raised their voices on this important issue.

GOODS AND SERVICES TAX

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, I have a petition requesting that the goods and services tax on books and reading materials be removed. These petitioners point out that literacy is a cornerstone of a democratic society. It contributes to productivity and competitiveness, which are clearly objectives of Canada.

These petitioners ask that this tax on books be reviewed and, if at all possible, eliminated immediately.

[*Translation*]

REQUEST FOR ELIMINATION OF VIOLENCE IN OUR SOCIETY

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, I would like to table a petition from people in Val-d'Or, Abitibi. The signers say that violent movies on television are dangerous and therefore unacceptable because they incite violence.

They say that all toys that incite violent games are unacceptable and should not be made. They also say that the freedom of the press to report acts of violence should be limited and information on violent acts that is repeated too often on all television stations and on radio can incite others to commit the same acts of violence.

Therefore the petitioners humbly ask Parliament to legislate on the above-mentioned points to eliminate violence in our society in order to protect our children more and give all our fellow citizens a better quality of life.

[*English*]

NORTH THOMPSON RIVER

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, I have a number of petitions from signatories throughout my riding presented in conjunction with a number of petitions throughout the province of British Columbia.

These petitioners are concerned about a project proposed by Multinational Resources which intends to dam a portion of the flow of the North Thompson River and divert that water into the California market.

The petitioners are concerned about the export of Canadian waters. They have urged the Government of Canada to state categorically that it will not permit our freshwater rivers to be dammed or diverted into the United States and to state that our Canadian rivers are not for sale.

JUSTICE

Mr. Al Johnson (Calgary North): Madam Speaker, I would like to present a petition signed by more than 1,000 residents of Calgary in memory of Ryan Garrioch.

These petitioners draw the attention of Parliament to the following: That the majority of Canadians support equal treatment of criminal offenders but with legislative age shelters from criminal law for very young adolescents; that chapter 15 of the Charter of Rights guarantees the equality of rights.

Therefore your petitioners request that Parliament revise the laws of Canada to replace the Young Offenders Act with an updated Juvenile Delinquents Act with a lowered minimum age of 13 years.

• (1520)

BILL C-268

Mr. Ray Funk (Prince Albert—Churchill River): Madam Speaker, it is my honour to present a petition signed by hundreds of people from Nova Scotia to B.C., including many from my own riding. These people believe that we do not know enough about aboriginal cultures in this country and that we do not give enough recognition to their diversity and strength.

Therefore they are calling on Parliament to enact Bill C-268, an act respecting a national solidarity day for the First Nations of Canada. This would be a day of recognition of Canada's original inhabitants, a day on which to honour their native cultures. It would take place on June 21 of each year.

UKRAINE

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I have a petition signed by numerous residents of Kingston, one resident of Bath, Ontario, and one of Enterprise, Ontario. They are concerned about the widespread and very dangerous diphtheria epidemic which has occurred in Ukraine.

This medical crisis, compounded as it is by medical shortages and the risk of further economic difficulties in that country, is of great concern to them and to other people who have friends and relatives in that country. They call upon this House to adopt a resolution providing for immediate consultations with the public health authorities in Ukraine and with the Government of Ukraine to determine the best means by which Canada could most expeditiously provide diphtheria vaccinations and other necessary medical supplies to alleviate the crisis caused by this epidemic.

I would like to indicate that perhaps there could be some arrangement whereby such a resolution could be adopted by unanimous consent on motions tomorrow.

BILL C-91

Ms. Lynn Hunter (Saanich—Gulf Islands): Madam Speaker, pursuant to Standing Order 36 I am honoured to submit a petition from people concerned about

Canada's health care system and the assault that Bill C-91 is inflicting upon it.

They are also asking the government to not proceed with Bill C-91, which is now in committee, and to repeal Bill C-22, which was passed in 1987.

People are concerned about the costs of drugs and the increased cost passed on to the provinces. Canada's health care system is under assault and the signatories to this petition want it stopped.

TRADE

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Madam Speaker, I am pleased to table a petition today from residents in different parts of Canada who are concerned about the impending legislation to implement the North American free trade agreement.

The evidence is in and growing daily that the North American free trade agreement does nothing to improve the trade situation between Canada and the United States. In particular for those communities dependent on lumber exports, issues like the softwood lumber tariff are hurting this country.

We do not need the North American free trade agreement and these Canadians agree with us.

BILL C-91

Mr. Raymond Skelly (North Island—Powell River): Madam Speaker, I too wish to present a petition from a large number of individuals who complain about the government's introduction of Bill C-91, which is a bill to eliminate generic drugs and allow the brand name drug pedlars to exploit the people of Canada.

These citizens are absolutely outraged that the government would allow this kind of theft from senior citizens and low income Canadians to occur.

They also point out the possibility of the destruction of provincial pharma-care systems by this outrageous legislation.

TRADE

Mr. Nelson A. Riis (Kamloops): Madam Speaker, it is my privilege, and indeed honour, to present a petition on behalf of a number of constituents from greater Kamloops. They point out their strong opposition to the Canada-U.S. Free Trade Agreement and now to the Canada-U.S.-Mexico trade agreement.

They are concerned that it is going to result in major water transfers between Canada and the United States and northern Mexico as part of the North America water and power alliance program.

This now brings the total number of signatures received on this particular issue to well over 30,000.

POLICE

Mr. Nelson A. Riis (Kamloops): Madam Speaker, on another unrelated matter I would like to present a petition concerning what these petitioners see as the increasing sense of lawlessness in their communities. They believe that there is an increasing number of break and enter thefts, and an increasing number of petty crimes, violent crimes, and extremely serious crimes of all sorts.

They are asking the Canadian government to ensure that adequate funds are set aside to ensure proper policing of western Canadian communities.

JUSTICE

Mr. Nelson A. Riis (Kamloops): I would like to present another petition. The petitioners point out that crimes of violence against the person are intolerable and constitute the most abhorrent crime society faces.

They point out that the risk to society posed by the early release of a violent offender seems to be of secondary consideration to the rights of the individual criminal.

They are asking Parliament to recognize that crimes of violence against a person are serious and abhorrent and that the government amend the Criminal Code of Canada and the Parole Act accordingly.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk)

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, the following question will be answered today: No. 384.

[*Text*]

Question No. 384—**Mr. Peterson:**

With respect to the Canadian Human Rights Commission, (*a*) what is the total number of cases tried by the Canadian Human Rights Commission since its inception (*b*) how many of these cases have been

decided against the complainant (*c*) how many of these decisions against the complainant have been overturned on appeal?

Mr. Robert D. Nicholson (Parliamentary secretary to Minister of Justice and Attorney General of Canada): (*a*) The Commission has considered 5,629 cases.

(*b*) There have been 1,398 cases dismissed and a further 578 "no further proceedings" decisions.

In general, dismissals coud be viewed as having been decided against the complainant as could a certain (unspecified) proportion of "no further proceedings" cases.

(*c*) Strictly speaking, none. If a complainant wins an appeal, the commission may be asked to reconsider the case but the decision is not overturned.

In the past three years, we estimate that approximately five cases per year were appealed after having been dismissed by the commission after the investigation was completed. Prior to 1989, there were even fewer appeals.

[*English*]

Madam Deputy Speaker: The question as enumerated by the parliamentary secretary has been answered.

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

Mr. Duhamel: Madam Speaker, on a point of order. Last week the hon. parliamentary secretary will recall that I had asked what progress had been made on Question No. 207, which basically asks how much money had been collected by the goods and services tax and how much would be applied to the deficit, the debt and what the start-up costs had been for the goods and services tax.

While the Auditor General's report is somewhat helpful with the latter I would very much look forward to receiving an answer to that question of December 1991.

The parliamentary secretary did say that he would pursue it personally. I am wondering what progress has been made.

Mr. Edwards: Madam Speaker, I anticipated my hon. friend's question because I discovered to my chagrin that the material was not ready today when I had hoped it would be.

I made inquiries and I am confident that before another week is out we will have the material he is looking for.

Mr. Fulton: Madam Speaker, last Thursday my House leader requested information from the parliamentary secretary on the Canadian Environmental Assessment Act and he indicated that he would get back to the House. I wonder if he can report to the House on what is happening with the 30 required amendments for word changes between the French and the English text and on what date Canadians can expect the final promulgation and Royal Assent to that legislation.

Mr. Edwards: Madam Speaker, I appreciate the reminder from my hon. friend from Skeena. I can inform the House and the member that his inquiry and my follow-up have resulted in galvanic action taking place. He can be assured that what he is looking for will be accomplished in the very near future.

Madam Deputy Speaker: Shall the remaining questions stand?

Some hon. members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, would you be so kind as to call Motion for the Production of Papers No. P-17.

P-17—**Mr. Milliken:**

That an Order of the House do issue for copies of all expense accounts of all persons who travelled with the Prime Minister on his trip to Calgary on April 21 to 22, 1991.

Mr. Edwards: Madam Speaker, this motion is acceptable to the government, subject to the usual reservations concerning personal information, and the documents are tabled immediately.

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

Motion agreed to.

Mr. Milliken: Madam Speaker, I want to thank the parliamentary secretary for the efforts that have resulted in this document being produced. I am very pleased and it looks to be a thorough report. We will see what has been excised.

I wonder if, while I am on my feet, I could ask another question. I am like his boss, the government House leader, who once he gets something always wants more. However, I do have another motion standing in my name dated June 3 on the Order Paper, which asks for a simple copy of some studies commissioned by the Department of National Defence in connection with the relocation of the military supply depot in Montreal.

I am wondering if, as a result of his diligent enquiries, he has brought forth any light as to when we might expect those reports.

Mr. Edwards: Unlike Oliver what my hon. friend has offered is not a new twist at all. He constantly wants more. I will with all diligence chase the material he is seeking.

Madam Deputy Speaker: Shall the remaining motions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

• (1530)

[*Translation*]

WAYS AND MEANS

INCOME TAX ACT

Hon. John McDermid (Minister of State (Finance and Privatization)) moved that a Ways and Means motion to amend the Income Tax Act, the Canada Pension Plan, the Income Tax Conventions Interpretation Act, the Tax Rebate Discounting Act, the Unemployment Insurance Act and certain related acts, laid upon the table on Friday, June 19, be concurred in.

Madam Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

Madam Deputy Speaker: All those in favour will please say yea.

Some hon. members: Yea.

Madam Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

Madam Deputy Speaker: Call in the members.

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

(*Division No. 337*)

YEAS

Members

Anderson	Andre
Attewell	Beatty
Belsher	Bertrand
Bird	Bjornson
Blackburn (Jonquière)	Blenkarn
Bosley	Cadieux
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Chartrand	Cole
Collins	Cook
Cooper	Corbeil
Côté	Couture
Danis	Darling
DeBlois	Della Noce
Desjardins	Dobbie
Domm	Dorin
Edwards	Epp
Fee	Feltham
Ferland	Fretz
Gray (Bonaventure—Îles-de- la-Madeleine)	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Hockin
Hogue	Holtmann
Horner	Hudon
Jacques	James
Jelinek	Johnson
Joncas	Jourdenais
Kempling	Koury
Landry	Langlois
Larrivée	Layton
Lewis	Loiselle
MacDougall (Timiskaming)	Marin
Martin (Lincoln)	Mayer
Mazankowski	McDermid
McDougall (St. Paul's)	Merrithew
Mitges	Monteith
Moore	Nicholson
Oberle	O'Kurley
Reid	Ricard
Richardson	Robitaille
Roy-Arcelin	Saint-Julien
Schneider	Scott (Hamilton—Wentworth)
Shields	Siddon
Sobeski	Stevenson
Tardif	Tétreault
Thompson	Thorkelson
Tremblay (Québec-Est)	Turner (Halton—Peel)
Valcourt	Van De Walle
Vien	Vincent
Weiner	Wenman
White	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Winegard	Worthy—107

NAYS

Members

Althouse	Angus
Arseneault	Axworthy (Winnipeg South Centre)
Bellemare	Black
Blaikie	Boudria
Breaugh	Caccia
Campbell (South West Nova)	Clancy
de Jong	Dingwall
Duceppe	Duhamel
Ferguson	Finestone
Foster	Fulton
Funk	Gagliano
Gardiner	Gauthier
Gérin	Gray (Windsor West)
Grey (Beaver River)	Harvard
Harvey (Edmonton East)	Hopkins
Hunter	Karpoff
Karygiannis	Kilger (Stormont—Dundas)
Kilgour (Edmonton Southeast)	Kristiansen
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)	Leblanc (Longueuil)
Lee	MacAulay
MacDonald (Dartmouth)	MacLaren
MacLellan	MacWilliam
Manley	Marchi
McCurdy	McGuire
Mifflin	Milliken
Mills	Mitchell
Murphy	Nystrom
Parent	Peterson
Phinney	Pickard
Plamondon	Prud'homme
Rideout	Riis
Rompkey	Simmons
Skelly (North Island—Powell River)	Stupich
Tremblay (Rosemont)	Volpe
Waddell	Whittaker
Wood	Young (Acadie—Bathurst)
Young (Beaches—Woodbine)—75	

PAIRED MEMBERS

nil/aucun

• (1610)

Madam Deputy Speaker: I declare the motion carried.

Motion agreed to.

* * *

[*English*]

AN ACT TO DISSOLVE OR TERMINATE CERTAIN CORPORATIONS AND OTHER BODIES

MEASURE TO ENACT

The House proceeded to the consideration of Bill C–63, an act to dissolve or terminate certain corporations and other bodies, as reported (without amendment) from a legislative committee.

Madam Deputy Speaker: On a point of order, the hon. parliamentary secretary.

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I think you will find that there is unanimous consent to the following:

That, in relation to Bill C–63, an act to terminate certain corporations and other bodies, the remainder of this sitting day should be allotted to report stage and one sitting day should be allotted to third reading stage of the bill;

That, if necessary, the debate at report stage shall continue tonight beyond the hour of daily adjournment, but no later than 9 a.m. on Thursday, November 26, 1992, until all questions necessary to dispose of the report stage of the said bill are disposed of, provided that no dilatory motion or quorum call shall be deemed receivable during the extended sitting, and that any requested division shall be deferred until 10 a.m., Thursday, November 26, 1992;

That, notwithstanding any Standing Order, on Thursday, November 26, 1992 the House shall proceed with the third reading stage of Bill C–63.

That, if necessary, the debate at the third reading stage shall continue beyond the hour of daily adjournment on Thursday, November 26, 1992, but no later than 10 a.m. on Friday, November 27, 1992, until all questions necessary to dispose of the third reading stage of the said bill are disposed of, provided that no dilatory motion or quorum calls shall be deemed receivable during the extended sitting, and if a recorded division is requested, it shall be deferred until 6 p.m., Monday, November 30, 1992.

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, the parliamentary secretary is correct. There have been some discussions among the House leaders and their representatives with regard to this particular motion and the debate on Bill C–63. It is likely we will not run all that late this evening, but there are a number of speakers from all parties who wish to participate, both at report stage as well as on third reading. I give the official consent of the Liberal Party.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I too want to concur that there have been discussions. I want to make two points. One is that we do have a number of speakers but I too do not anticipate that we will be sitting that late.

I do want to take this opportunity to express my appreciation to my hon. friend, the parliamentary secretary to the government House leader, for the degree of consultation that occurred to make this possible this

afternoon. It is that kind of co-operation which makes this House of Commons very productive.

[*Translation*]

Mr. Louis Plamondon (Richelieu): I would like to add that we were also consulted or at least informed, and that we agree with this proposal.

[*English*]

Madam Deputy Speaker: I understand that there is unanimous consent.

Some hon. members: Agreed.

Madam Deputy Speaker: Agreed and so ordered.

Motion agreed to.

SPEAKER'S RULING

Madam Deputy Speaker: There are 92 motions in amendment to Bill C-63, an act to dissolve or terminate certain corporations and other bodies, standing on the notice paper.

[*Translation*]

Motion No. 1 standing in the name of the hon. member for Scarborough—Rouge River will be debated and voted on separately.

[*English*]

Motions Nos. 2, 4, 6, 9, 11, 13, 15, 17 and 19 standing in the name of the hon. member for Essex—Windsor, and Motion No. 7, standing in the name of the hon. member for Scarborough—Rouge River, will be grouped for debate and a vote on Motion No. 2 will apply to Motions Nos. 4, 6, 9, 11, 13, 15, 17 and 19. An affirmative vote on Motion No. 2 will obviate the necessity of a vote on Motion No. 7, while a negative vote on Motion No. 2 will require a vote on Motion No. 7.

Motions Nos. 3, 5, 8, 10, 12, 14, 16, 18 and 20, standing in the name of the hon. member for Winnipeg South Centre, are identical to Motions Nos. 2, 4, 6, 9, 11, 13, 15, 17 and 19 and will therefore not be selected.

Motions Nos. 21, 23, 25, 28, 30, 32, 34, 36, 38, 40 and 42, standing in the name of the hon. member for Essex—Windsor, and Motion No. 27, standing in the name of the hon. member for Scarborough—Rouge River, will be grouped for debate and a vote on Motion No. 21 will apply to Motions Nos. 23, 25, 28, 30, 32, 34, 36, 38, 40 and 42. An affirmative vote on Motion No. 21 will obviate the necessity of a vote on Motion No. 27, while a negative vote on Motion No. 21 will require a vote on Motion No. 27.

[*Translation*]

Motions Nos. 22, 24, 26, 29, 31, 33, 35, 37, 39, 41 and 43, standing in the name of the hon. member for Scarborough—Rouge River, are identical to Motions Nos. 21, 23, 25, 28, 30, 32, 34, 36, 38, 40 and 42, and as a result, they will not be selected.

• (1620)

[*English*]

Motions Nos. 44, 46, 48, 51, 53 and 55, standing in the name of the hon. member for Essex—Windsor, and Motion No. 49, standing in the name of the hon. member for Scarborough—Rouge River, will be grouped for debate and a vote on Motion No. 44 will apply to Motions Nos. 46, 48, 51, 53 and 55. An affirmative vote on Motion No. 44 will obviate the necessity of a vote on Motion No. 49, while a negative vote on Motion No. 44 will require a vote on Motion No. 49.

Motions Nos. 45, 47, 50, 52, 54 and 56, standing in the name of the hon. member for Winnipeg South Centre, are identical to Motions Nos. 44, 46, 48, 51, 53 and 55 and will therefore not be selected.

[*Translation*]

Motions Nos. 57, 60, 62, 64 and 66, standing in the name of the hon. member for Essex—Windsor, and Motion No. 58, standing in the name of the hon. member for Scarborough—Rouge River, will be grouped for debate, and a vote on Motion No. 57 will also apply to Motions Nos. 60, 62, 64 and 66. An affirmative vote on Motion No. 57 will obviate the need for a vote on Motion No. 58, but a negative vote on Motion No. 57 will require a vote on Motion No. 58.

[*English*]

Motions Nos. 59, 61, 63, 65 and 67, standing in the name of the hon. member for Cape Breton—The Syd-

neys, are identical to Motions Nos. 57, 60, 62, 64 and 66 and will therefore not be selected.

Motions Nos. 68, 70, 72, 75, 77, 79, 81, 83, 85, 87 and 89, standing in the name of the hon. member for Essex—Windsor, and Motion No. 74, standing in the name of the hon. member for Scarborough—Rouge River, will be grouped for debate and a vote on Motion No. 68 will apply to Motions Nos. 70, 72, 75, 77, 79, 81, 83, 85, 87 and 89. An affirmative vote on Motion No. 68 will obviate the necessity of a vote on Motion No. 74, while a negative on Motion No. 68 will require a vote on Motion No. 74.

Motions Nos. 69, 71, 73, 76, 78, 80, 82, 84, 86, 88 and 90, standing in the name of the hon. member for Saint-Henri—Westmount, are identical to Motions Nos. 68, 70, 72, 75, 77, 79, 81, 83, 85, 87 and 89 and will therefore not be selected.

[*Translation*]

Motion No. 91, standing in the name of the hon. member for Essex—Windsor, and Motion No. 92, standing in the name of the hon. member for Scarborough—Rouge River, will be grouped for debate. An affirmative vote on Motion No. 91 will obviate the need for a vote on Motion No. 92, but a negative vote on Motion No. 91 will require a vote on Motion No. 92.

[*English*]

MEASURE TO ENACT

Mr. Derek Lee (Scarborough—Rouge River) moved:

Motion No. 1.

That Bill C-63 be amended in Clause 1 by adding immediately after line 16 at page 1, the following:

"(3) The Minister of Employment and Immigration shall

(*a*) identify property, including intellectual property, data bases, models or library materials, that were created or acquired by the Canada Employment and Immigration Advisory Council in the fulfilment of its mandate and that have a capital or commercial value; and

(*b*) transfer that property, with or without valuable consideration, to a federal, provincial or non-governmental body to be used to pursue that body's mandate."

He said: Madam Speaker, I congratulate you on your grouping of the motions for debate. There is a certain mathematical symmetry in how the motions have been grouped now. That will probably make it easier for us here in the House. But mathematical symmetry is not what we are dealing with in this government bill this afternoon.

The particular motion we are dealing with identifies what I believe is a gap in the government's treatment of the way in which agencies and Crown corporations are dissolved and dispensed with, privatized. It is not immediately apparent why the government has failed to give attention to this.

One could accept that over the last dozen years or so there has been some initiative to reduce the size of government and make it more efficient, to privatize areas of activity that are perhaps more appropriately dealt with in the private sector and the business sector.

In developing the field, the lexicon and the procedure of privatization and dissolution, I am not so sure we have it right yet.

The amendments take note of the fact that there will likely have been—I would be very shocked if it had not occurred—a development within the agency, here the Canada Employment and Immigration Advisory Council, of a certain amount of knowledge and expertise. Some may call it intellectual property, which was often referred to in the committee hearings, but computer-stored data and information, all of which was relevant to the original existing mandate of the agency. When the agency was about to be dissolved, no one gave much thought to the value, if any, of the accumulated expertise, intellectual property, data bases, and information libraries of the particular agency.

What often happens in the private sector when a business goes down is that the ownership interest departs, locks the doors—maybe they do not even lock the doors. Suddenly, the scavengers, the vultures, the auctioneers and those who work in the field of bankruptcy swoop down, scoop up and take away. They sell the stuff for the best price they can get, but it is often at a fraction of the original market value of these things.

In this particular case the government is dissolving an agency that it feels no longer can serve a good public policy purpose. While some of our colleagues opposite are convinced that it can no longer fill the purpose and that other agencies can, the government is going to proceed. I believe the government has not taken account of just what assets there were in this category and how

the government proposes to protect them. Certainly we would not want to see them destroyed.

I want to point out in this particular case, as I will point out in relation to some of these other agencies as we debate this bill today and tomorrow, we must take note of the stark reality that the government has already dissolved and liquidated the agency.

There is something that does not ring quite right about that. I had an assistant attempt to locate these agencies on the map, by telephone, by fax machine, and we have come up with precious little. I am puzzled when the law clearly requires a statute of this House to dissolve and liquidate an agency like this how it is that the agency, as I speak now, has already disappeared off the map.

As we make what I believe to be a constructive proposal here in disposal of the assets, maybe it is all for naught. Maybe the government has gone ahead of its authority to do so and dissolved the agency and liquidated it. Maybe what we are doing in this House just does not matter any more. I feel I have to note whether what the government has done or not done is legal or illegal.

• (1630)

In any event, the debate on this must be here if for no other reason than to lay constructive groundwork for dissolutions and privatizations in the year to come because undoubtedly there will be some no matter what government is in power. When we do it, we want to do it right.

To recap, this particular amendment would require, by statute—not just by policy or by someone's good judgment in the department—that the minister responsible for the agency identifies property including intellectual property, data bases, models, library materials, et cetera, that were required and developed in the course of the agency's mandate. The minister will protect them, keep them together and transfer them to a successor agency or the ministry involved. In that way they would be protected as an asset and would continue to serve the public in the domain for which they were originally created.

Mr. Steven W. Langdon (Essex—Windsor): Madam Speaker, I would like to speak just briefly to this particular section.

I echo the words of my colleague with respect to the divisions that have been made concerning the remaining motions. With respect to this particular agency however, the Canadian Employment and Immigration Advisory Council, the position that we took in committee and here in the House on second reading was that it did seem to us that this was an agency which could be replaced. Its work was in fact being done by other agencies within the government and it therefore was not serving a function for which the money contributed by taxpayers represented a valuable contribution and a valuable return to those taxpayers.

For that reason, it seems to us that to transfer the property associated with the Canada Employment and Immigration Advisory Council to other federal, provincial or non-governmental bodies is questionable.

I look, for instance, at something like the Canadian Labour Market and Productivity Centre. It seems to me that they are handling much of the work which the Canada Employment and Immigration Advisory Council was looking at. To continue therefore with this particular council's activities would represent, in our view, a waste of taxpayers' resources at a time when those taxpayers' resources need to be marshalled as carefully as possible to achieve the wider social and political objectives that we have in our economy.

[*Translation*]

Mr. Pierre H. Vincent (Parliamentary Secretary to Deputy Prime Minister and Minister of Finance): Madam Speaker, I am pleased to speak on this motion concerning Bill C-63. This motion talks about the Canada Employment and Immigration Advisory Council, which was created in 1977 to advise the Minister of Employment and Immigration of the time about the department's policies and programs.

You will understand that since 1977, this function has been replaced with a much broader consultation structure in the Canadian Labour Force Development Board. The council costs the federal government $200,000 a year. The government decided that the Department of Employment and Immigration, with what is now in place, no longer specifically needed the council and that is why it is being abolished. This will save Canadian taxpayers $200,000 a year. I think that is important.

Madam Speaker, you must understand that legally, the boards and commissions mentioned in Bill C–63 continue to exist, as legal entities, but they no longer have any money to spend. Therefore they no longer cost the federal government anything. That is what you must understand: the board still exists as a legal entity and there is no reason to believe, as my colleague would suggest, that Parliament has acted illegally by ending these boards before Parliament has decided the issue, because they continue to exist, legally.

As for all the assets and property of the various boards and commissions to be discussed this afternoon, a plan was submitted to Treasury Board which approved the liquidation or transfer of these various goods and services to already existing federal agencies or departments. All the intellectual property, as mentioned in the motion, and other assets are already transferred to some department or other. In the case ot the Canada Employment and Immigration Advisory Council, it is transferred to the department; in the other case, it will be transferred to the National Library, the National Archives, et cetera. Everything is being done to ensure that all the data and other resources in these various boards and commissions remain for the needs of the Canadian government and at the same time Canadian taxpayers can save money by closing and abolishing some councils.

This is how it has to be looked at. In closing, let me point out that since all that is now in place and Treasury Board has already made the necessary arrangements, I think that many of the motions before us are not applicable since the work they ask us to do has already been done.

Therefore I hope that Bill C–63 will be passed as soon as possible.

[*English*]

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

Madam Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

Madam Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion the nays have it.

I declare the motion negatived on division.

Motion 1 negatived.

Mr. Steven W. Langdon (Essex—Windsor) moved:

Motion No. 2.

That Bill C–63 be amended by deleting Clause 4.

Motion No. 4.

That Bill C–63 be amended by deleting Clause 5.

Motion No. 6.

That Bill C–63 be amended by deleting Clause 6.

Mr. Derek Lee (Scarborough—Rouge River) moved:

Motion No. 7.

That Bill C–63 be amended in Clause 6 by adding immediately after line 21 at page 2 the following:

"(4) The Minister shall

(*a*) identify property, including intellectual property, databases, models or library materials, that were created or acquired by the Institute in the fulfilment of its mandate and that have a capital or commercial value; and

(*b*) transfer that property, with or without valuable consideration, to a federal, provincial or non–governmental body to be used to pursue that body's mandate."

• (1640)

Mr. Steven W. Langdon (Essex—Windsor) moved:

Motion No. 9.

That Bill C–63 be amended by deleting Clause 7.

Motion No. 11.

That Bill C–63 be amended by deleting Clause 8.

Motion No. 13.

That Bill C–63 be amended by deleting Clause 9.

Motion No. 15.

That Bill C–63 be amended by deleting Clause 10.

Motion No. 17.

That Bill C–63 be amended by deleting Clause 11.

Motion No. 19.

That Bill C–63 be amended by deleting Clause 12.

He said: Madam Speaker, this particular piece of legislation carries through the government's intention of eliminating a number of important institutions and agencies which have provided valuable assistance to Canadian policymakers and valuable ideas to the Cana-

dian public in the period since they were variously established.

The particular set of amendments we are dealing with at the moment attempts to restore to the legislation and therefore to restore to life the Canadian Institute for International Peace and Security.

We heard testimony about a great many of these institutions as we went through this bill in committee earlier this year. Frankly, the case for some of the institutions, as I suggested with the Advisory Committee on Employment and Immigration, was not strong. However, the case for this particular institution was especially strong. This is partly because this was one of the most recent institutions to be established. It was established by legislation in 1983. This was an institution which reflected and represented, to the Canadian public and to policymakers in the government, some of the newer thinking in foreign policy debate and consideration throughout the world. It was not an institution which reflected the old-style belief that that you could somehow maintain peace through massive arms build-ups and through the philosophy of the deterrence. It was not, on the other hand, an institution which took the polar opposite position of saying that the solution is complete disarmament.

Instead, this was an institution which sought through collective co-operation and collective security to establish a new approach to our thinking about international affairs. It was an institution which operated very successfully and at a very limited cost to the federal government. A measure of its success is the tremendous list of names of people who were in touch with the legislative committee that looked at this piece of legislation. They tried to persuade the committee that this was at least one institution that should be maintained because of innovative approach, its thoughtfulness and its excellent leadership.

I could go through the many names of Canadians who wrote to the committee. It is perhaps even more interesting to recognize the international reputation which CIIPS, as the Canadian Institute of International Peace and Security came to be called, had managed to establish throughout the world.

We received letters and representations to maintain this institution from the Brookings Institution in the United States, ABC News in the United States, the Carnegie Endowment for International Peace, the Congressional Research Service, various representatives from the faculty of Harvard University, the Centre for Science and International Affairs at Harvard University, Princeton University's Department of Psychology, the United Nations Development Program, the U.S. Institute for Peace, and the University of Michigan. Outside the United States we received representations from a great many Canadian institutions and from a great many international institutions.

Some of those international institutions that were in touch with the committee included the University of Southampton in the U.K., Western Australian Health Promotion Foundation, the Asian Peace Research Institution, the German Society for Foreign Affairs, the National Institute for Research Advancement in Japan, SIPRI in Sweden—which is one of the foremost institutions dealing with international peace, and the United Nations Institute for Disarmament Research. I could list a vast number of institutions.

The arguments which many of them put forward are perhaps best summarized in a letter which I have received from the Department of Political Science at the University of Windsor in my own home area. Let me just read this into the record if I could: "We are shocked and dismayed," the writers of this letter indicate, "by the government's announced intention of disbanding the Canadian Institute for International Peace and Security. If Canada is to have an effective voice in this time of new alignments and unexpected problems on the world scene it can only be based on independent research of high quality done from a Canadian perspective".

The writers of the letter went on to say: "The Department of External Affairs by its nature is not well equipped to do research designed to find innovative solutions to unprecedented problems. We would therefore urge your committee to oppose rescinding the existing legislation which created CIIPS and to urge the government to provide it with funding as the legislation provides".

I would like to quote from the institute's original act: "Increase knowledge and understanding of the issues relating to international peace and security from a Canadian perspective with particular emphasis on arms control, disarmament, defence and conflict resolution".

In pursuit of that to: "(a) foster, fund and conduct research on matters relating to international peace and security; (b) promote scholarship in matters relating to international peace and security; (c) study and propose ideas and policies for the enhancement of international peace and security; and (d) collect and disseminate information on and encourage public discussion of issues of international peace and security".

It is especially important in our changing international context that we have an institute that can create the possibility of promoting discussion and debate among the public about international peace and security. It is especially important that we have new approaches to collective international security being discussed, studied and debated in this country.

• (1650)

It is especially important that we in Canada have new approaches to some of the age old questions that our Department of External Affairs has looked at. It is especially important that we bring into this debate and permit to contribute to this debate some of the younger scholars, some of the newer approaches, and some of the more innovative institutions throughout our country. That is what CIIPS did. It reached out to new people, it reached out to new ways of thinking, and it reached out to the public in a way, frankly, that the Department of External Affairs does not do.

This was a valuable institution. It was an institution led by people who, when they talked to the committee, were most impressive in terms of their concern about getting value for the money for the taxpayers of Canada.

I regret very much that the government has chosen to wind up this institution. I therefore urge the House to support this series of amendments by taking out of this bill the points dealing with the Canadian Institute for International Peace and Security. That would see to it that CIIPS would continue as an institution able to give good service to the people of this country.

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, in speaking to this series of amendments that the member from Essex has put forward, which are similar to those which I introduced, I would like members for a moment to think about what they saw on the news last evening or what they read in their papers this morning: major questions about our peacekeepers in Bosnia-Hercegovina; negotiations about a new agricultural agreement, an international arrangement for rationalizing our farm products; problems dealing with the environment that affect the supply of our cod stock off the Newfoundland coast; and the deposit of Soviet nuclear waste in the Arctic Ocean which will immediately spread into our own arena.

I mention only a very small sample of issues to prove an obvious point, which is that no such thing as domestic politics is left in Canada. In effect, we are all internationalized. Our jobs, our security, our well-being, and our welfare are all very dependent on and very conditioned by what happens in the world around us. We do not live in a fire-proof house.

What is essential for responding to this incredible turbulence and jungle of developments is that Canadians be informed, understand, and have knowledge so that they can make proper judgments about where this country will go and the kinds of stands we should take in responding to this multitude of global requirements and needs.

In a column that appeared in the *Toronto Star* this week by Carol Goar, in which the external affairs minister was defending her record as a minister against attacks that had been levelled in that column the week before, the minister said that people do not get enough information about Canada's activities around the world to make reasoned judgments. She went on to say that one of the primary requirements under her ministry would be to ensure a much broader based level of information and a more open discussion and debate about our options and choices.

It comes as some surprise that we arrive in the House of Commons on a Wednesday afternoon to find out that after the minister had made this proper assertion of the need for debate, information and understanding we now have a bill in front of us which will exterminate the most significant agency in the country providing that information, that debate and that understanding. It would be an understatement to call it a total contradiction.

The Canadian Institute for International Peace and Security was established in 1983 as an outgrowth of the then Prime Minister Pierre Trudeau's world peace initiative. However, it is important to recognize that it was

supported by all sides of the House. All parties in the House supported it because they understood that we needed the kind of institution that would have an independent base of operation to develop ideas, to disseminate information, and to participate in and create a marketplace of ideas.

Far be it from me to lecture members opposite about the marketplace. They are the experts on it. However, surely if they believe in the free marketplace of the economy they should believe in the free marketplace of ideas which means that a product must be generated to create a free exchange.

Yet what are they doing? They are exterminating, cancelling, and shutting down the source of these ideas in the crucial area of our international arena. I refrain from using the word "international" because that creates barriers in peoples' minds so that they say that the real gutsy things to talk about are what is happening here on the domestic level. However, as I tried to say earlier, there is no distinction between what is happening in the world around us and what happens here. Just ask the fishermen in Newfoundland, the grain farmers of western Canada, or the steel workers in Hamilton about how what has happened internationally has affected their own livelihood.

We are told this is a cost-saving measure. In fact, it is not a cost-saving measure because most of the budget of CIIPS has been transferred to the Department of External Affairs. That is what we were told.

The minister made announcements this summer that the Department of External Affairs would set up scholarship programs, and a new program of co-operative competitions to start research.

There is a difference, a very significant difference. The decision as to what those areas of research and debate will be are now going to be controlled by the Department of External Affairs. It will make the decisions on what is done. There will not be a free marketplace of ideas, and scholars will not be encouraged to search out new thinking but more to act as a rubber stamp for government policy.

We do not get innovation by simply trying to respond to the status quo. We do not get debate and new ideas by simply echoing official lines set out by the department.

Perhaps more tragic is the total cancellation of some of the most experimental and innovative work that CIIPS is doing. Let us return to the comment by the Secretary of State for External Affairs: "People do not get enough information about Canada's activities around the world to make reasoned judgments".

What was CIIPS doing? First it had a school program that supplied materials, speakers, lecture notes, videotapes, and other forms of information to the schools of Canada, to the young people of Canada, those who will have to live most directly with the impact of international events.

That has disappeared, I guess on the assumption that it does not help our young people to understand the world around us. Therefore the primary source of material to educate young people in our schools about world development has been shut down, cancelled.

More interesting is that CIIPS had just begun a joint project with the CBC and Radio Canada to develop televised programs on our national television networks discussing a series of problems on peacekeeping, environmental problems, global warming, security issues, and economic rearrangement. That would allow a two-way dialogue which Canadians could watch on their TV screens. It would provide an exposition of these problems. There would be a system through which various schools and universities could act as a means of providing a forum in which feedback could be received by members of Parliament and government.

• (1700)

An interesting exercise in public education on a massive scale using new technology is wiped out, disappeared, and gone. How can the Secretary of State for External Affairs, with any shred of integrity, any scintilla of honesty, state in a column in the *Toronto Star* that we need more information, more reasoned judgment, more debate and more dialogue when she is one of the authors of this bill eliminating the Canadian Institute for International Peace and Security, which had a mandate to provide the very same thing?

I do not use the word lightly, but hypocrisy immediately comes to my lips when I think of what the minister said in this statement and what the government is doing by eliminating this program.

The minister cannot with any degree of honesty make these kinds of statements about the need for informed and reasoned public information and dialogue and at the same time be a member of a government that is cancelling, eliminating, and exterminating the primary agency that supplied it.

Even if external affairs itself said: "Well, trust us. We have no politicized agenda", the fact of the matter is that the department has already received a number of budget hits from the finance minister, the latest one last week of 2 per cent. What will be left of its so-called research information program?

If we are to believe the Secretary of State for External Affairs, if her own members are to believe her, then we and they have no option but to vote for these amendments and stop the cancellation of the Canadian Institute for International Peace and Security.

Mr. Derek Lee (Scarborough—Rouge River): Madam Speaker, following the sterling remarks of my colleague from Winnipeg South Centre on the dissolution of the Canadian Institute for International Peace and Security I would like to make three short points.

The first concerns my perception that the government has acted prematurely to dissolve, liquidate and kill the agency before it had the authority to do so from Parliament. Someone on my staff today tried to reach CIIPS and eventually got through to someone. They were told that apparently all the employees, with the exception of five board members, were laid off and given severance packages between June and July of this year. The person on the phone indicated that the only reason the phone lines were still open was because of a legal opinion that the operation must continue until the legislation had been approved by Parliament.

What is the government doing? It seems the right hand does not know what the left hand is doing. If the minister was here I would want to ask the minister—I am sorry, we are not supposed to comment on the presence or absence of the minister who does not have to be here now. However, in the event the opportunity arises to ask the question I would want to ask what the heck the government is doing dissolving, liquidating, firing and severing when the agency has apparently received a legal opinion that the government should not be doing this until it had authority from Parliament? The government does not have authority from Parliament. That is why we are here today.

I just wanted to make that point as clearly as I could.

My next point concerns Motion No. 7, which is being grouped for debate in this grouping. That motion deals with the protection of the assets of the agency upon the dissolution or winding up of the agency to ensure that the assets are protected, kept intact and moved to another agency or another non-government agency, or at least some body, that could make use of the accumulated expertise of the agency that is being dissolved.

I note that in this particular case the library collection of this agency, which was extensive and valuable and noted at committee as being unique in Canada, I believe, has been transferred to the Canadian Forces Command and Staff College in Toronto.

I acknowledge that. It is exactly the kind of thing that the amendment had in mind.

Second, some of the program has been transferred to a new program which apparently has an annual budget of $2.1 million. This flies in the face of the purported cost-saving motive of the government in dissolving this agency.

Even though it transferred the assets and kept intact this valuable library which all Canadians own, I want to point out that there was never anything in the statute that required it to do that. I think that that kind of a direction should be in the statute when the agency is dissolved. That is why the amendment is there. The government has done it in any event, in relation to the library. We do not know what other assets may have been lost in the move, shall I say. I hope nothing has been lost, squandered or destroyed in the move.

The amendment is there. It should have been there on day one and I think it should be there for every agency dissolution. I wanted to make that point as well.

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, I would like to pick up on the comments that my colleague from Winnipeg South Centre made.

First, I consider it totally incomprehensible that the government would dissolve an institute like the Canadian Institute for International Peace and Security. Even though there are many Canadians in this country who are suffering and even though we are in deep economic pain, there would not be too many Canadians who would really support the dissolution of this if they really knew the full extent of the service that this organization provided.

My colleague talked about the school programs on world development that the institute has been providing and was continuing to expand. I can recall periods of time when this particular institute would supply speakers for town hall meetings. Sometimes there would be organizations or conferences that would not want a speaker who was advocating any particular partisan point of view. That was one of the unique things about this organization. It was perceived as an independent thinking operation. It was an independent service. With all the concerns and lack of trust in terms of partisan politics today, it seems that to destroy an organization that has such a fine reputation is not good logic.

I want to pick up on this issue of the library. Madam Speaker, I appeal through you to the government that this library that the institute has built up over a number of years is a very valued asset. Even though I am from Toronto and we all fight for our constituents and our communities, I think it is a mistake that that library goes to the Military Staff College in Toronto. That library should be here, somehow connected to our own library. I would be deathly afraid if one day I saw that library on the Crown assets list of DSS.

There is no guarantee that it could not happen. Obviously the government will use its force to ram through this legislation. I wish there would be some kind of a directive given that the Department of National Defence might find themselves running short of space one day and not realize the full extent and the value of this treasure that has been built up over many, many years.

• (1710)

I regret that in the excuse of debt reduction that we are cancelling this agency. It is a sad day. We obviously are appealing here in the last hours for the government to reconsider and all we can do is hope.

[*Translation*]

Mr. Pierre H. Vincent (Parliamentary Secretary to Deputy Prime Minister and Minister of Finance): Madam Speaker, I would like to respond to some comments made by hon. members opposite.

First of all, it should be understood that in his February budget, the Minister of Finance announced that certain councils and committees would be dissolved. He said this would be done in June. Administratively speaking, starting in June, the operations of these committees, councils and agencies were reduced to a minimum.

The official termination, however, will not take effect until the bill before the House today is passed. In other words, the process reflects due respect for the Parliament of Canada but also an understanding of the financial problems of the government and the responsibility this government has to Canadians.

Perhaps I may say a few words about the Canadian Institute for International Peace and Security, which was established in 1984 to increase knowledge and understanding from the perspective of arms control, disarmament, and other aspects of international peace and security. The institute also has a research role.

When preparing for the February budget, the Minister of Finance and the government realized it was more economical to ask the Department of External Affairs to do the work currently being done by the CIIPS. When I say more economical, I am talking about a savings of $2.5 million annually. It will cost the government $2.5 million less annually, because instead of having the Canadian Institute for International Peace and Security, we will have officials within the Department of External Affairs doing the same job.

The February budget did not raise taxes. It did, however, announce cutbacks. What we are talking about this afternoon are those cutbacks. They are an important

part of our fight against the deficit and our constant struggle to stop Canada from getting deeper into debt. The opposition will probably say that $2.5 million annually is peanuts for the federal government. That may be. However, if every time a $2.5 million cut is feasible, and we do not cut, by the end of the day it all adds up.

All the files and assets of the institute have been transferred to the Department of External Affairs. For instance, the institute has transferred its library to the staff training college in Toronto, with the appropriate funding, so that external affairs officials can take over this responsibility.

It is important to realize that the work done by the institute will be carried on, but at lower cost, within the department. That is the message we must get across to our colleagues opposite.

Again, I think this bill should be passed as soon as possible to put the legal seal of approval on these administrative changes. Since by the end of June, these committees and institutes had practically wound up their activities.

[*English*]

Mr. Ross Harvey (Edmonton East): Madam Speaker, I will defer to my hon. colleague for Windsor—St. Clair with your kind indulgence.

Mr. Howard McCurdy (Windsor—St. Clair): Madam Speaker, I had not really expected that I would be involved in this part of the debate. However, if the hon. parliamentary secretary represents the view of government, then we have stupidity compounded by innumeracy. He has tried to convince this House by standing up on this debate—which he recognizes is on television—that the expenditure of $2.5 million and the cancellation of that expenditure represents a part of the government's attempt to economize on this expenditure to a significant degree. He maintains that this fight against the deficit makes necessary the elimination of the Institute for International Peace and Security.

He says at the same time that the bureaucrats in External Affairs are going to do the job.

I say innumeracy because even the parliamentary secretary and this government ought to know that this government spills more money in taking polls than the cost of this. It spilled more money than this in its prosperity initiative charade. It spent far more than this in sending propaganda to Windsor alone on NAFTA. He has the audacity, the nerve, if not the stupidity, to believe that the country and the electorate believe that we are to take him seriously when he says that we have to save $2.5 million on an institution that is studying peace and security in a world that is constantly threatened by insecurity and division and the prospect of war that has been accounted for by those who have preceded me in this debate.

It is absolutely outrageous that we have to be subjected to this kind of argument, that could do nothing but reflect upon the government in the worst way possible. That is the way in which it ought to be reflected because it is perhaps the worst government that this country has ever seen. To listen to this particular example of a misleading and stupid argument is something that the population should not be subjected to for very much longer. I just wanted to put that intervention on record.

To suggest that external affairs is a place where we are going to get independent judgment, where people are going to obtain information, is to belie the very character of the bureaucracy. The studies occurring at external affairs have one purpose and one purpose only. They are to reflect the policies of a government that, in the absence of this kind of institution, is not going to be subject to the kind of critical judgment, examination and research that ought to be available to it and to the people of Canada. What this government does in external affairs can be critically analysed and rejected or accepted depending upon its inherent merits and not the propaganda that is now going to be substituted for the institute that we are now abandoning.

If I sound angry, I hope it communicates to you, Madam Speaker, and to the government that I am not the only angry one about the garbage we hear in this House meant to justify the garbage that the government does.

Mr. Ross Harvey (Edmonton East): Madam Speaker, I would like to commend to the House, at the risk of appearing boring by comparison, a question of perspective, because that really is what is before the House. As the hon. parliamentary secretary said, it is the intention of the government that the tasks previously discharged by the Canadian Institute for International Peace and

Security will now be undertaken and discharged by the bureaucrats of the Department of External Affairs.

I have nothing against the bureaucrats of the Department of External Affairs. I am certain that they are wonderfully competent, dedicated, well-trained, intelligent and well-motivated people. They are the products and exponents of a system of diplomacy and international relations that has just about come to the end of its tether.

• (1720)

The days in which we could find our security and the world's peace in a system of counterbalancing alliances netting the globe have passed. They have passed for a number of reasons but they have most certainly passed.

We are entered in an extremely perilous time on this planet, a time in which the extremes of wealth and poverty have never been greater and a time in which those who are caught in the extremes of poverty have never had greater access to the representation of wealth in which people like us live.

This is a recipe for the most violent and protracted forms of planetary social confrontation. It is these extremes more than any other factor, augmented it is true by climatic catastrophes and gradual changes but rooted in the maldistribution of wealth on our planet, which constitute the greatest threat to our security and the planet's peace, to the degree the planet can be said to know peace at any time this century.

What is required to meet these new challenges, especially for a comparatively wealthy middle power like Canada, is a complete rethinking of the precepts on which we base our international relations. With all due respect and compliments to the bureaucrats of the Department of External Affairs, they are singularly ill placed, not ill equipped, to undertake that absolutely vital ongoing reconsideration.

That being the case, it is simple good sense for the Canadian government on behalf of the Canadian people to create institutions which can foster, promote and disseminate that reconsideration.

The Canadian Institute for International Peace and Security was one such body, a very important body, in fact in these regards probably the pre-eminent body in the country. That was recognized at its establishment in 1983 when it was given, as I understand at the time, unanimous support of this Chamber. That was a prescient move on the part of this Parliament at that time in the early 1980s. It is unfortunately an extremely blind move that is being contemplated by this Parliament now as it contemplates the eradication of the institute.

I would only ask members present and those who may be brought in for the vote to consider very carefully the needs that we have in a changed world, the requirement placed upon us as a comparatively wealthy society to use in part our wealth to find the means to foster peace and security around the planet. If we do not find those means they will not be found and the consequences will be dire indeed.

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

Madam Deputy Speaker: The question is on Motion No. 2. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

Madam Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

Madam Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the motion stands deferred.

Mr. Steven W. Langdon (Essex—Windsor) moved:

Motion No. 21.

That Bill C-63 be amended by deleting Clause 13.

Motion No. 23.

That Bill C-63 be amended by deleting Clause 14.

Motion No. 25.

That Bill C-63 be amended by deleting Clause 15.

Government Orders

Mr. Derek Lee (Scarborough—Rouge River) moved:

Motion No. 27

That Bill C-63 be amended in Clause 15 by adding immediately after line 11 at page 4 the following:

"(4) The Minister shall

(*a*) identify property, including intellectual property, data bases, models or library materials, that were created or acquired by the Council in the fulfilment of its mandate and that have a capital or commercial value; and

(*b*) transfer that property, with or without valuable consideration, to a federal, provincial or non-governmental body to be used to pursue that body's mandate."

Mr. Steven W. Langdon (Essex—Windsor) moved:

Motion No. 28.

That Bill C-63 be amended by deleting Clause 16.

Motion No. 30.

That Bill C-63 be amended by deleting Clause 17.

Motion No. 32.

That Bill C-63 be amended by deleting Clause 18.

Motion No. 34.

That Bill C-63 be amended by deleting Clause 19.

Motion No. 36.

That Bill C-63 be amended by deleting Clause 20.

Motion No. 38.

That Bill C-63 be amended by deleting Clause 21.

Motion No. 40.

That Bill C-63 be amended by deleting Clause 22.

Motion No. 42.

That Bill C-63 be amended by deleting Clause 23.

He said: Madam Speaker, this set of amendments tries to overturn the government's intention to eliminate the Economic Council of Canada.

The Economic Council of Canada had a proposed budget of about $10.3 million for this year. It had 118 full-time people working for it. It also had a council of 28 members, three of them full time and 25 part time.

It is striking that the House of Commons in this session before Christmas was said by the Prime Minister to be focusing especially on the economy of this country. We dealt with the divisive, difficult question of constitutional reform. It was rejected by the people, and the Prime Minister said that we would concentrate on the economy.

What is the very first legislation that in fact deals with the economy? It is of legislation which does away with the independent body designed to provide advice to governments and to the people on what we should do about the economy.

One would think that any sensible government, any sensible Prime Minister, any Prime Minister who had thought things through at least a little, would have recognized that to get such independent advice not just from the professional researchers at the Economic Council but from business people, labour representatives and representatives of different social groups making up the council membership itself would have been absolutely paramount in the concerns of that Prime Minister.

• (1730)

What do we find instead? We find that the government is doing away with the Economic Council. Why? It is not to save money as the government will claim. There will be a speech made that it is to save money. In point of fact, as I can demonstrate and may do if I have enough time, there will not be any savings of money whatsoever in this fiscal year and very little in future fiscal years from doing away with the Economic Council of Canada, because every task the Economic Council is putting into effect and has been putting into effect will continue.

There has been a whole transfer of the projects of the Economic Council to a new institute at Queen's University for which, guess what, the Government of Canada is paying. It is not to save money. It is because the government could not face the fact of receiving independent criticism from the Economic Council. It could not face the fact that an independent group of business people, of economists and of labour people would actually say that the government was wrong, as this council has said consistently as this government has put us further and further into an economic mess in the past three years.

That is why this council is being eliminated. It is a question of shooting the messenger because the government did not like the message. That is what is at issue here.

The reality is that the institution has done and is doing excellent work. It has done work on health care, how to develop a more efficient, economically effective method of dealing with our health care problems, one of the crucial issues faced by every provincial government and

this federal government. Yet the government is doing away with the institution.

It is an institution which is tracking Canadian poverty. Perhaps that is something that made the government angry at the institution. The Economic Council showed in its studies that poverty was increasing under the government. Maybe that was the mistake. Maybe it was the mistake that this council committed when it said that the high interest rate policies of the government and the high value of the Canadian dollar were causing the tremendous increase in unemployment. Maybe that was the reason.

It could not have been because the Economic Council was wrong about free trade. Mark my words, the Economic Council was wrong about free trade. It predicted that in the first five years of free trade there would be hundreds of thousands of new jobs. We have seen in the first four years of free trade a loss of something close to 500,000 jobs in this country.

The government refuses to admit that. The government refuses to criticize free trade. The government refuses to change its mind about free trade. It cannot be that the Economic Council was wrong about that subject which disturbs the government. In fact the government used to quote the Economic Council day after day in the last election campaign because it liked the message then. It liked the message because it seemed to be something that was supportive of what the government was trying to promote.

I want to leave the people of this country as they watch this debate with two quotations and a final set of realities. The first quotation is from the president of the now defunct Economic Council when he spoke to our committee. The president said, summing up what would happen with the elimination of this council: "We are losing our capacity to build our knowledge of Canadian society by testing theories against Canadian data".

I also want to quote from an independent research institute which makes its money not from government but independently. The president of Informetrica said: "The council is indispensable for its ability to assign teams of economists to big projects. University researchers and private sector firms cannot mount the long-term, large-scale projects the council undertook". That is what we are losing.

However, I have to admit that I thought in the past when we first heard the debate around eliminating the Economic Council that maybe the government actually did believe it was going to save some money, no matter how little, and it justified eliminating this independent voice which would help us reform, change and improve our economic policy. I thought the government might actually have been telling the truth.

What emerged from the government was the prosperity report inventing our future. It was called "An Action Plan for Canada's Prosperity". The action consisted of recommending the establishment, believe it or not, of not just an economic council, but six new economic and social institutions which would fill exactly the same roles as the Economic Council.

I conclude by listing these because what is being suggested is staggering. We will get rid of the Economic Council and replace it with a national quality institute, a centre for excellence for sustainable development, a Canadian forum on learning, a federal-provincial body which is supposed to examine economic prospects and propose fiscal stances, another federal-provincial body, and finally a prosperity council. How is this prosperity council to be formed? In exactly the same way as the Economic Council of Canada was formed.

This government is trying to hoodwink Canadians. It is trying to get rid of the Economic Council. It is trying to replace it with far more expensive institutions which will simply parrot the government's line as opposed to the independent advice which the Economic Council has provided this country so valuably in the past.

Mr. John Manley (Ottawa South): Madam Speaker, may I say first of all that for once I agree almost entirely with what my colleague from Essex-Windsor has said in his comments on the Economic Council of Canada.

• (1740)

The hon. member and I served together for a long time on the finance committee and received many submissions from the Economic Council of Canada. There were many appearances by the chairman of the council as well as members of the council before us to discuss a variety of issues.

It causes me some sadness to be participating in a debate about the demise of the Economic Council of Canada. I suppose the situation in which the government finds itself, having again failed to estimate properly its revenues for the current year, running a deficit which is going to be somewhere in the order of $35 billion after having estimated something less than $28 billion in their budget last year; in other words, having achieved a deficit that exceeds the prediction by something close to 30 per cent, is unsettling.

I understand why it may say it needs to save money, but as the member for Essex—Windsor has just pointed out, in fact the effort here is not one to save expense. If it were a matter of saving expense, many of the other initiatives introduced by the government in order to talk economic policy would not have been on the table. We would not have just spent a pile of money on something called a prosperity initiative study which has produced yet another volume of reports and information which is entirely redundant, together with what was already produced. That, as my friend reminds me, was on untendered contracts.

My purpose in speaking is really to say that the Economic Council of Canada is an institution for which Canadians should have a large degree of pride. I would like to point out the work that has been performed by the council before the announcement was made.

The council was preparing, at the time the budget was released, an important study on education in Canada. That report was issued shortly after the budget, a study called *A Lot to Learn: Education and Training in Canada*.

Canadians should be aware of this work because not only does it have a great deal to say to us about where we are and where we should be going, but it is an indication of the valuable work that a body such as the Economic Council of Canada can perform.

As we all know, education lies within provincial jurisdiction. We also know that we as Canadians cannot stand by impervious to what is happening outside our borders. We must begin to find ways to equip our people to deal with the competition that we face and the production of goods and services not only in the United States and Mexico, but in Europe, in Japan and increasingly in the developing world.

Again and again we discover that it is in our ability to equip our most important resource, the human resource, that we need to focus attention. If we fail to prepare our people for the global competition in which our nation is engaged, we will fail to maintain the standard of living that our people have every right to hope for and to expect and we will fail to perform our role as a developed and resource rich country in aiding in the alleviation of poverty elsewhere in the world.

The council's study discovered, among other things, that 30 per cent of Canadian adults who have completed their secondary education have difficulty reading and try to avoid situations that require reading. Thirty-six per cent of adults in the same group cannot perform simple sequences of numerical operations that would enable them to meet most everyday demands. I am quoting from the report *A Lot to Learn: Education and Training in Canada*.

From the same report are results for science and mathematics, which can be summarized as follows: At age 10, Canadian children compare favourably with those in most industrialized countries. By age 13 or 14, Canada's relative position deteriorates somewhat, though evidence on this is somewhat mixed. By the end of secondary school, Canada's achievement is weak when adjusted per years of schooling, retention rates and freedom of subject choice. The result is particularly pronounced in science but it seems to hold for mathematics as well.

This information is of crucial importance to Canadians in determining how we face the challenges of the future. This is the work produced this year by the Economic Council of Canada. It is able to do this on a budget which is not overly generous because of a broad mandate to study issues related to the economic welfare of Canada.

An existing institution such as this can be redirected, retooled, re-equipped far more effectively, efficiently and with less waste of money than the government has engaged in by disbanding the existing organization and trying to redirect the finances into other efforts that are primarily intended for show rather than for the product they will produce.

I would like to cite another 1992 report. It is again by the Economic Council of Canada: *The New Face of Poverty: Income Security Needs of Canadian Families.*

I cite these two as examples of the breadth of work that has been undertaken by this important council. I am sure people hearing of the disbanding of the Economic Council of Canada have given it very little thought other than to think, well good, perhaps government is cutting back, saving a few dollars here and there.

It is crucial that government have this information. However, it is unusual that an independent agency funded by the Government of Canada can say this, the opening words of the foreword. "The war against poverty stalled in the 1980s".

How important is it that an agency be able to make that statement in the face of the rhetoric that we hear on a regular basis from the other side of the House of Commons? We have been told since this government was elected that poverty has declined when in fact, according to the council, the war on poverty stalled in 1980s.

This is the kind of critical analysis that it is crucial for us to have in order to be able to make the proper policy judgments that are needed as we move through this decade.

The projects, the papers, the work that was ongoing are enormous. This is a council that was extremely productive. Publications alone from 1989 to 1991 include three annual reviews; four council statements on reports, one on *Globalization and Canada's Financial Markets* in 1989; *Good Jobs, Bad Jobs: Employment in the Service Sector* in 1990; *From the Bottom Up: The Community Economic Development Approach* in 1990; *New Faces in the Crowd: Economic and Social Impacts of Immigration* in 1991.

Research reports; *Globalization and Canada's Financial Markets*, 1990; *Employment in the Service Economy*, in 1991; *Economic and Social Impacts of Immigration*, in 1991; *Conference Proceedings*, two of those.

Monographs; three on labour markets, two on agriculture, five on other topics. A discussion paper on the proposals to reform the Bankruptcy Act. A list of working papers and an annual publication: *Au Courant* which contained discussions of many other topics. This was a very well-spent dollar by the Government of Canada. Its loss will be felt and will be noted because we will be deprived of valuable, independent and useful advice, advice that can be replaced at a cost, advice that is not always something that the government or the opposition agrees with, but advice that has been useful and that has ensured that the level of debate has been vibrant and has been worth while.

• (1750)

I think the notion, and I conclude on this, that private sector agencies can provide all of this commentary is one that is particularly misleading. Most of the private sector research is funded for a purpose in order to determine certain results.

What we have with the Economic Council of Canada is the ability to mandate an agency to provide what is truly independent advice on subjects of importance in the economy. That advice, I suggest, has not only been valuable but is essential in a democratic environment such as ours.

Mr. Don Blenkarn (Mississauga South): Madam Speaker, I was wondering if the member realizes that the whole question of the Economic Council and its validity was explored by the finance committee in 1984 and explored by the finance committee every year after then as it came to the finance committee to study its estimates.

Does the member also understand that when talking of councils, this council does cost or did cost the country about $9 million? The real issue is whether you can get the same advice from people who work for the Department of Finance, the Bank of Canada, the C.D. Howe Institute, the Conference Board, the Niagara Institute, the Fraser Institute and away you go one after another, with every bank having its own economist.

Surely the member would realize that another Government of Canada institute is always suspect. He will know that when the free trade agreement was entered into, the Economic Council of Canada supported the free trade agreement and that council was criticized and railed against by his party day after day in this House because the report of the committee was said to be influenced by the government.

What is the point of having an economic institute that is an arm of the government, so to speak, so that its decisions, claims and investigations are always suspect because they are part of what the government might do? Why is the member so interested in defending an economic institute that is there as an arm of government? It is not really independent. After all, the govern-

ment appoints people to it. The government gives it the space. The government tells it what to do.

Therefore, I am wondering why he wants to defend that expense or does he just want to defend that expense because he and his party do not want us to cut expenses of government? Is he really interested in just bigger and better government, more government, more expense, more borrowing, more, more, more? Do they not ever take a look at these institutions and say: "We do not need this institution any more"?

As far as the Economic Council is concerned, we have lots of places to get advice on economic matters. The government does not need advice from another economic advisory council. The opposition can get its advice from lots of places other than the government's economic council.

Therefore, why would the member, other than just to feather the nest of more accountants or more economists, or make sure that more economists are employed, want to keep this institution going when the government could save, if it is abolished, some $9 million to $10 million a year?

Madam Deputy Speaker: Resuming debate. Just a second, there seems to be some confusion. I think the hon. member thought there were questions or comments on that. No, there were not. It is a 10-minute debate.

I will recognize the hon. member for Essex—Windsor if the hon. member would kindly sit down for a moment. The hon. member for Mississauga South may continue with his remarks as there is a 10-minute period. If the hon. member would allow me though to take the point of order from the hon. member for Essex—Windsor, I will return to him in a minute.

Mr. Langdon: Madam Speaker, part of my point of order was simply to point out to the member that this was not the usual 10-minute question and comment period. I also wanted to ask the member as he continues his comments if he could explain why, if he felt as he now says he felt in his years as finance committee chairman, he never sought to eliminate the expenditure on the Economic Council of Canada.

Mr. Blenkarn: What is going on here?

Madam Deputy Speaker: I am sure the hon. member will agree with me that he has gone much further than pointing out what could or could not be a point of order.

At report stage, as the hon. member for Mississauga South should know or should remember, there are only 10-minute speeches with no period of questions and comments. There must be close to five minutes remaining that the hon. member could use.

Mr. Blenkarn: That is interesting. I guess the question is whether they really want to cut the deficit of this country, whether they really want to cut the spending of this country, whether they really want bigger and bigger government or smaller and smaller government. We happen to believe in smaller government. We happen to believe that we have to cut down the cost of government. This bill is about cutting down the cost of government. This bill is about eliminating those things in government that are no longer required. Organizations are developed, they blossom, and there comes a time when the sun should set on them. There are some 40 institutions here.

Mr. Funk: Point of order. Now that the Speaker has pointed out that time is brief, I was wondering if the member might address his thoughts in this brief period to the actual question that was asked by the hon. member for Essex—Windsor.

An hon. member: Oh, come on, that is not even a point of order.

Madam Deputy Speaker: The hon. member has risen on debate for 10 minutes. As the subject is quite large, accusing him of not being on the subject is not quite fair at this time.

Mr. Blenkarn: My friend wants to know what we were doing in the finance committee. Let me tell him that on a number of occasions, as the chairman of that committee, I spoke to the Minister of Finance and the President of the Treasury Board concerning the institutions that we were examining. You do not always make your reports in the House of Commons when you are a chairman; you often make your reports directly to the minister on a personal basis.

I was delighted to see the Economic Council of Canada being terminated. I make no apologies for that. It did not have to be a report in this House. There are other ways of handling the affairs of the country. Those affairs can often be handled much better, not by reports to the House but by quiet conversations with ministers. That is how things get done, and that is what members on this side of the House are doing. They are all the time examining the problems of the country, looking at how institutions and other activities of government are running and trying to make sure that those institutions of government run more efficiently and effectively and that taxpayers' dollars are protected.

• (1800)

I am listening now to the member across the Chamber who claims to be in business. Of course, if he really is interested in making sure Canada works effectively, he would be doing exactly the same. We do not have to make a House of Commons speech or make a House of Commons report to influence how governments operate, how bills are prepared and how bills pass in the House.

The members of the New Democratic Party might well understand that. They might well know that if they really worked the system properly, if they really got to know what the problems were and made sensible suggestions, those suggestions would probably be reflected in government legislation. They know they have to play politics and that is why they are here tonight. That is why they are here tonight debating, opposing and speaking out on this bill. They know in their hearts of hearts the government is doing the right thing. The government is eliminating expenses of agencies and activities of the government that are no longer required.

It is my hope that when the Minister of Finance addresses this House on December 2—

Mr. Harvey (Edmonton East): Madam Speaker, I must protest. The hon. member is being too modest when he says the government is doing the right thing. In fact, it is doing—

Madam Deputy Speaker: I do not think the hon. member really knows what a point of order is. The hon. member for Mississauga South.

Mr. Blenkarn: Madam Speaker, he really does not know what a point of order is. He does not know very much about this House, Parliament or government.

The issue really is, what are we going to do to cut back expenses. As I was saying before I was interrupted, it is my hope that the Minister of Finance in his statement next week will also find other places and other activities of the government that perhaps should be restricted or eliminated to eliminate the cost to the people of Canada of too much government.

This House ought to realize that we presently have very severe problems. We have revenue that is away off the original projections. We have bills that must go on. We have people on pensions, activities and transfers, all of those things that must be paid. We can continue to spend on every item that is in this bill, but those expenses are not necessary for my constituents and they are not necessary for yours, Madam Speaker. They can be eliminated. Without any ripple in the water at all, we can eliminate those expenses. That is what we are doing here in this bill.

My hope is that the Minister of Finance on December 2 will eliminate more of these expenses. We cannot continue to carry on activities that are no longer required, that are no longer essential for the peace, order and good government of Canada and this bill ought to pass now and this debate ought to end now.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I listened to the member for Mississauga South. There are many times when I agree with the member and some of his ideas, but on this particular issue I think that the member is off track.

I would like to read for the House and for our viewers the introductory paragraph of the latest Economic Council of Canada estimates: "The Economic Council of Canada fulfils its role as an independent adviser to Parliament by providing objective analysis of Canada's economy. Acting at arm's length from the political process, the council provides policy advice and technical information and contributes to the national debate on economic policy ideas. Its goal is to contribute to the well-being of Canada and Canadians by providing rigorous analysis and pertinent advice to policymakers on national, provincial and regional issues. The council's principal clients are provincial officials, legislators across

Canada who can request that the council undertake research on their behalf".

I believe the government must concede one thing at a time when our economy is going through such a difficult period. It seems that no matter what formula the government tries in order to put our economy back on track, nothing seems to be working. It seems to me that more than ever we need an independent think tank that would bring forward policy ideas for the purpose of advancing debate on economic issues.

For the life of me, I cannot figure out why the government at this particular juncture would not be supplementing the budget of the Economic Council of Canada. Through you, Mr. Speaker, to the member for Mississauga South, I say he knows of the difficulties. He knows that the Department of Finance is in a gridlock when it comes to advancing ideas or allowing the creative process to move forward. When I tried to fly a couple of ideas past them on tax reform it did not get very far because finance officials are locked into their own programs.

When one moves away or dismantles the Economic Council of Canada, one loses an independent form of audit or accountability on the Department of Finance. The Department of Finance does not have all the answers for developing a strategy of economic renewal for this country. The track record shows that. We need independent ideas that are well researched and that have networks of access.

This Economic Council of Canada is respected all over the world. They can plug into systems of evaluation and systems of analysis on a whole range of issues, not just in terms of our own country, but through other comparable systems right around the world. That is one thing we are forgetting in this debate. This institution has an international reputation and a history and a library of information that not only this legislature but other legislatures across this country can call up on an as-needed basis from time to time.

For the sake of $9 million we are going to dismantle this organization. How much of the resources or the people in the Economic Council will be packaged to other departments of government? Therefore, what is the true saving? Is it a couple of million dollars, maybe, and we are giving up the independence of this unit?

I am totally opposed to this unit in the bill. It shows a lack of appreciation and a lack of respect for the many men and women whose credentials over the years have made this institution one of the finest in the world. I believe the government will really regret it. At this time when we need ideas to debate, it shows once again that when it runs into a problem in terms of the economy, the best thing it knows how to do is cut or dismantle and it is wrong.

• (1810)

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, I was really quite amazed by the intervention of the member for Mississauga South.

I wondered whether he might in fact have been a prototype for a character who was a senator in Li'l Abner some years ago. He is not old enough for that to be true, nevertheless, in his bluster, he certainly does remind me of that character.

I was rather taken by what he said about the Economic Council being dispensable because there were so many sources of advice for government. I suppose that to lengthen his list he should have emphasized those sources of advice that have been most influential for this government.

I suppose he might have included on the list the Business Council on National Issues. The Chamber of Commerce undoubtedly would have been on that list. Perhaps more tellingly, Mr. Bush would have been on that list along with Madam Thatcher.

He accuses us of not understanding government and yet he tells us that the Department of Finance provides for all intents and purposes, all the advice that the government needs. I wonder if the hon. member considered himself to be a waste of time as chairman of the House finance committee when he was proffering so much advice which was so consistently rejected. Part of the advice that he provided was that there should be a change in monetary policy and an easing of interest rates out of the consequent lowering of the exchange rate on the dollar.

As I understand it, he did not get that information from the Business Council on National Issues. He did not get it from the Department of Finance. As a matter of fact, I find a wonderful historic concurrence between the advice that he was offering as chairman of that committee and the advice that was being provided by the

Economic Council of Canada which he regards as so dispensable.

Maybe it is dispensable because he is no longer chairman of the finance committee. It is clear from the record that the hon. member for Mississauga South had the Economic Council appear before his committee with great frequency to bolster his own arguments.

We have heard mention of a report by the Economic Council on learning in Canada which revealed the catastrophic state of education for too many Canadians. The essential import of that report was the recognition that the competitive environment in which Canada now exists in the global economy puts a great deal of priority on knowledge, skills, education, innovation, research and development, technological diffusion and so on.

I just want to remind the hon. member for Mississauga South that there has not been the slightest significant thrust from the Department of Finance or from the former Minister of Finance to improve Canada's performance with respect to high value-added initiatives that are a reflection of the knowledge, skill and an innovation-intensive economy.

As a matter of fact, this deficit that he talks about that will not allow us to spend $2.5 million on peace and security or $10 million on independent, badly-needed advice that the Economic Council of Canada could have provided, is a result of bad economic planning.

By the way, at least to a significant degree, it is a reflection of the failure of the Department of Finance that he lauds so much when it follows his advice on monetary policy. In fact, 35 per cent of the deficit is made up by payment of interest and lack of revenue. Why is there is a lack of revenue? It is because we had 75,000 bankruptcies this year. We have 1.5 million people unemployed. We have 2.5 million on social assistance and he wonders why we have a deficit. It is because he got bad advice from the finance department.

Some hon. members: We can't hear you, Howard.

Mr. McCurdy: I think they and everybody in this country do hear me and understand thoroughly what I am describing.

The Acting Speaker (Mr. Paproski): Order, please. Order, please. I cannot hear the hon. member, please. The hon. member for Windsor—St. Clair has the floor.

Mr. McCurdy: I heard pleas from those on the other side who ordinarily have difficulty hearing that they did not hear me. They will hear me because what I am saying is not just about me. They better not pretend to be deaf because the people of Canada are saying they have had enough of this. They have had enough of members such as the member for Mississauga South on the government side saying the whole world is going on as it should and that this is the best of all possible worlds as provided by the neo-Conservative agenda, the know-nothing agenda and the Senator Foghorn agenda.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I rise to speak this afternoon to the report stage of the legislation before us which deals with cutting back certain agencies which have been appointed in the course of deliberations in the House of Commons.

We are talking about eliminating the Economic Council which was mandated in 1963 to provide advice and ways to increase economic growth and improve the quality of life for Canadians.

With a multisector body of 28 members, a staff of 118 and an annual budget of $10.3 million, the council has produced over the years numerous studies and reports, including an annual review of medium and long-term economic prospects and problems.

The budget announcement to wind up the council was made in light of the government's need to carefully assess the priorities for the limited funding available for arm's length research and advice.

As I said before, the council had been established in 1963 at a time when the infrastructure for research was far less developed than it is now. Today, there are many other sources of such advice in places such as universities and think tanks like the Conference Board, the C.D. Howe Institute, the Fraser Institute and the Institute of Research and Public Policy to name but a few.

The government can no longer afford to support a separate organization for these purposes.

Of the studies under way at the council at the time of announcing the closure, the government decided that five studies should be completed. These studies deal with the government and competitiveness—this was initiated by the council at the Prime Minister's request I might add—human resources management in Canada, cost effectiveness of the Canadian health care system, Canada's changing industrial structure and adaption strategies and Canada's commercial relations with the Pacific rim.

Three of the studies are now being completed through a contract with the University of Ottawa and Queen's University and are being overseen by the Department of Industry, Trade and Commerce. CIDA and Statistics Canada are handling the other two studies.

Funding has been provided by Treasury Board for these contracts. The savings estimated at budget time for the closure of the agency are coming to fruition. The government will save $10.3 million annually, minus the cost of finishing the existing studies that I have just outlined.

• (1820)

In conclusion, the closure of the Economic Council will result in the government achieving its goal of saving taxpayers' money, rationalizing government and better targeting of funding for economic research and advice.

As with all other agencies to be wound up, the government requested the council and the Department of Industry, Science and Technology to prepare a wind-up plan. The aim was to ensure that the assets of this organization were protected, that the employees were treated in a fair and a humane manner, and that arrangements were made for existing contractual commitments.

In a letter dated June 10 of this year the chairman of the Economic Council wrote to the legislative committee on Bill C-63 confirming arrangements that were made regarding its assets. The letter indicated the library collections were turned over to the National Library pursuant to the National Library Act. The electronic data holding including the economic models were disposed of pursuant to the National Archives Act. The method of operating and manipulating the models was documented and the models were then transferred to the archives.

We have before us tonight the legislation reported back from the legislative committee without amendment, permitting the government to move forward with this piece of legislation which flows from this year's budget to completion. I trust we will be able to vote on it now.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. Paproski): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Mr. Steven W. Langdon (Essex—Windsor) moved:

Motion No. 44.

That Bill C-63 be amended by deleting Clause 24.

Motion No. 46.

That Bill C-63 be amended by deleting Clause 25.

Motion No. 48.

That Bill C-63 be amended by deleting Clause 26.

Mr. Derek Lee (Scarborough—Rouge River) moved:

Motion No. 49.

That Bill C-63 be amended in Clause 26 by adding immediately after line 35 at page 5 the following:

"The Minister shall

(*a*) identify property, including intellectual property, data bases, models or library materials, that was created by the Centre in the fulfilment of its mandate and that have a capital or commercial value; and

(*b*) transfer that property, with or without valuable consideration, to a federal, provincial or non-governmental body to be used to pursue that body's mandate."

Mr. Steven W. Langdon (Essex—Windsor) moved:

Motion No. 51.

That Bill C-63 be amended by deleting Clause 27.

Motion No. 53.

That Bill C-63 be amended by deleting Clause 28.

Motion No. 55.

That Bill C-63 be amended by deleting Clause 29.

He said: Mr. Speaker, at this stage we are dealing with a third institution which the government has sought to eliminate. We on this side of the House feel it has been serving a useful purpose and has been, in this case, an important institution for Atlantic Canada in particular.

The International Centre for Ocean Development is the institution with which these particular amendments deal. Again the attempt is to eliminate the clauses of the bill which seeks to wind up various institutions, dealing with winding up the International Centre for Ocean Development or ICOD.

ICOD is an organization which was announced in 1981 at a Commonwealth Head of States Conference. It was incorporated following the 1982 signing of the UN Conference on the Law of the Sea. It therefore was something that very much followed on an objective for which the Canadian government had fought for many years: the establishment of a Law of the Sea treaty.

The centre became a Crown corporation in 1985. As of 1992-93 it was costing the people of Canada something in the order of $13.3 million. Of the 74 people who worked for it, most of them were in Halifax, some were overseas and some were in Ottawa. It also had a board of directors including a chairman, a president, seven directors from Canada, and up to five directors internationally.

This centre, as we discovered in our discussions in committee, was of importance for two reasons. First, it was of importance because it dealt with many of the serious concerns not just of Canada but of many countries in trying to manage the ocean's resources effectively. We in this country of all countries should be aware of the immense potential problems which exist in ocean management.

We have seen the Atlantic coast fisheries devastated by the failures in ocean management. We have seen the complete shutdown of large parts of the Newfoundland fishery. We have seen the near shutdown of large parts of the gulf fishery. This is just one example of the tremendous cost to the country of not managing ocean resources properly.

This institution was established to help Canada and to help poorer developing countries throughout the world carry forward such ocean management successfully.

Again the government will claim that it is saving money by shutting this institution down. Yet every bit of activity which ICOD is undertaking is being transferred to CIDA and to funding by CIDA. This means that in practice we will be spending virtually the same amount of money. We will probably find ourselves having to spend even more money in dealing with some of our domestic oceans management problems as a consequence of winding up ICOD.

The second point however which is important about this institution is that it is one of the few institutions located in Atlantic Canada. It is one of the few government bodies established there on an independent basis providing inputs, professional jobs and specialized activities for scientists in Atlantic Canada. It is some way in which this government offers to the people of Atlantic Canada a chance to participate in trying to develop policy and work with the Government of Canada on ocean management questions which are important to Atlantic Canada and important throughout the world.

• (1830)

We had testimony in front of the legislative committee indicating to us these very significant contributions to the Atlantic Canada economy, especially for professional employment, especially for the scientific employment which ICOD provided. Yet we have the government eliminating this institution despite the fact that much of the expenditure will continue to be made. The difference is that the expenditure will not be made in Atlantic Canada. It will be made in central Canada. There will be a shift in resources contributing to the well-being of Atlantic Canada from the Halifax area to Ottawa.

I cannot see how it makes any sense, in a country already marked by inequalities of opportunity and inequalities of government activity in Atlantic Canada compared with central Canada, to shut down this institu-

tion and have its work carried forward by CIDA located in central Canada.

I would therefore urge the House to accept these amendments, not just because of the value of ICOD but because the government in its prosperity report—and I mentioned earlier in the House of Commons this legislation is to eliminate various institutions—is suggesting the establishment of six new institutions.

I listened with amusement to the member from Mississauga, the former chairman of the finance committee, who suggested that the government wished to save money by eliminating institutions. The government, having moved to eliminate these institutions, brought forward a report to establish six new institutions, many of them duplicating the work of the institutions being eliminated here.

These institutions which will be newly established in 1992 or 1993 will be far more costly than keeping the present institutions going. I hope the member from Mississauga, the former chairman of the finance committee, will explain to the House how establishing six new expensive institutions, as the prosperity report recommends—a quality institute, a prosperity council, an institute for sustainable development, a centre for learning, a forum for learning, and new federal-provincial bodies to help in different areas of our economy—will somehow help the expenditure position of the federal government.

Of course it will not. The government is eliminating institutions which it did not set up so that it can set up new institutions and spend new money, probably more money, to establish new institutions which undoubtedly will be staffed by Conservatives.

Undoubtedly these institutions will provide new patronage opportunities for Conservatives. That is at the heart of what is taking place. This is not a story about saving money; this is a story about eliminating good important institutions in parts of the country like Atlantic Canada and establishing six new institutions which will be sources of patronage for this dying Conservative government.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I have always listened with rapt attention to my good friend for Mississauga South. This man is known by reputation and by some of the sentiments he expresses, not just in this Chamber, but is known particularly in my home province of Newfoundland and Labrador.

The hon. member for Mississauga South is remembered there for very good reasons. In Newfoundland, no man's return is more anticipated and looked forward to than the gentleman from Mississauga South. They are ready for him and they want to have a party for him. They have picked the site. They have the refreshments all ready and indeed, they have the rope all ready. The rope is ready and they cannot wait.

Mr. Blenkarn: They didn't even bring it out.

Mr. Simmons: If he was there this summer, it was the best kept secret in Newfoundland. I can understand why he would go incognito. He has some concerns.

Mr. Blenkarn: I went there bold as brass.

Mr. Simmons: He might not know much about government but he knows a lot about survival. What I say to him is that they are all ready. Anytime he is ready to go incognito, I will take him to the site.

Why do I treat my friend from Mississauga South so charitably today? Because I wanted attention drawn to the one who tells us about downsizing government. He is the one who has expressed some fairly lively opinions about Newfoundlanders. He did that. When he paints, he paints with a fairly broad brush you understand. I had a professor at Boston University who used to say: "All natives walk in single file; at least the one I saw did". That pretty well sums up the approach of the member for Mississauga South.

Let me come now to something he said today. I do not know why I get exercised about this because he usually says very outlandish things anyway. But to show the consistency of the man, let me tell you what he said today.

We had a great oration from him about downsizing government. As I listened and watched him today I had some difficulty reconciling his position on the matter of downsizing with the position that he adopted during the GST issue, because the Auditor General's report is now out and it confirms exactly what we said in the GST debate.

The Auditor General said yesterday that the government talks about downsizing government out of one side of its mouth and has just proceeded to bring 4,000 more people on staff just to collect another tax.

This is the government that was going to replace the old manufacturers' sales tax with the GST because it was going to simplify things. It was going to simplify the administration. It simplified it all right, at a cost of $1.7 billion and that is just the money to set up the new machine to collect the tax. It cost $1.7 billion to take the tax from people who can ill afford to pay. How is that for downsizing government? There are an extra 4,000 employees to collect the tax.

• (1840)

Think what that could do, Mr. Speaker, in your riding or mine in terms of industry. Just think of what industries you might have in your riding or I might have in mine. Four thousand people. Who is paying for it? All the people who are paying the GST. The member for Mississauga South says it is all right because it is all part of downsizing government you understand. My, what you can justify in the name of downsizing. Now we come to this.

An hon. member: Chickening out.

Mr. Simmons: It is all right. He is just going to make a call to make sure he can get the next plane to Newfoundland. He got so excited about that reception I told him about he wants to get there. He has taken the view that: "If t'were to be done, t'were best it were done quickly". However, I say to him, Mr. Speaker, that he should wait for my company because I have a better rapport with some of those people than he does. The bit of mercy in me says that perhaps I should be there too, because a rope can be used for all kinds of things and I would not want it to be put to the wrong purpose, although the motive might be well-intentioned.

As part of the government's downsizing effort it wants to wipe out the International Centre for Ocean Development. Who is it that wants to remove from the scene an organization that since 1981 has provided technical assistance and information and training programs to improve management and utilization of ocean resources? Who would want to do that? Who wants to do it at this particular time and juncture in our history?

I remind you, Mr. Speaker, that this juncture in our history includes the worst crisis in the Atlantic fishery where the whole area is on its knees. Community after community is facing the threat of extinction. People who have traditionally worked for eleven and a half months a year are now walking around, not because they are too lazy to go to work, but because there is no work to go to and no fish to catch. That has to relate to the kind of management we have had of the ocean resources.

Who in their right minds would want to wipe out an organization with that mandate? You got it, sir. You guessed it. The same crowd that put those people in Atlantic Canada into that mess by mismanagement of the ocean resources. Why do they not want any advice on how to manage ocean resources? Because there is always the fear that the advice might actually tell them they are doing something wrong. If there is one thing the crowd on the other side of the House cannot stand, it is having someone tell them they are doing something wrong. To put it differently, even when they are told they are doing something wrong they do not much care. Remember, 85 per cent of Canadian people told them they did not want the GST but they got it anyway.

Without seeking to defeat my own argument, what is the point if government gets advice on anything? It is not followed anyway. That is why the fishery in Atlantic Canada is in the mess it is. That is why the fishery on the west coast of Canada is in the mess it is. It is because the management of the ocean resources by this administration has been absolutely abysmal and shameful.

If that were just a bit of rhetoric, if that were just a few words, what difference? There may be a few people watching television or some people here, but what is the difference? Behind those words is the reality that thousands upon thousands of people in Newfoundland, Nova Scotia, New Brunswick and P.E.I. are suffering tonight. Thousands of families are suffering tonight. Thousands of heads of households, men and women, are faced with great uncertainty tonight throughout Atlantic Canada. They can no longer do what they were traditionally able to do because of the bungled management of the ocean resources by this administration.

Then, government has the gall to come in here and ask me because I represent the people of Ramea and the

people of Burgeo, Grand-Bruit, Grey River and those other dozens of communities that are being devastated by the mismanagement of the cod stocks: "Would you agree to putting out of existence yet another agency dedicated to the marine environment and ocean resources?" My answer to that government on behalf of those people in those communities is: "No, I will not agree to that. No, I will not agree".

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, just a short recap on what these motions are about.

In the February 1992 budget, it was decided to wind up the International Centre for Ocean Development. ICOD was doing some of the same functions being done by CIDA, the Canadian International Development Agency. The role of ICOD does not require that it be a separate organization. This is why the government decided to wind up ICOD and transfer its resources to CIDA.

The resulting savings in overhead, some $3.3 million, will be redirected within the official development assistance envelope for programming. CIDA will take the appropriate measures to ensure that assistance in relation to ocean resources continues to be provided to developing countries.

The work of ICOD has been accomplished with a staff of 74 and an annual budget of $13.3 million. At the government's request, ICOD and CIDA have prepared a wind-up plan for approval. The plan which was approved by Treasury Board outlines a fair and humane severance package for ICOD employees and the transfer of necessary working files to CIDA and the arrangements for ICOD's existing contractual agreements. For example, ICOD has contracted its programming activities to the Consulting and Audit Group of Canada pending parliamentary approval of dissolution. After dissolution, CIDA will assume this contract.

In conclusion, the government's decision to wind up ICOD will mean more aid for international programming for developing countries. It will mean less overhead and a rationalization of the government's department and agency portfolio.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I want to add a couple of points to the debate from the submission of the hon. member opposite.

The assets and the surviving program of the International Centre for Ocean Development are being transferred or rolled over to CIDA. One can only hope that CIDA will pursue the objectives, the mandate and the functions of the international centre with as much vigour as the international centre itself did.

There are not too many other things that I can usefully contribute to the debate, other than quote a statement made in 1985 by the Hon. Stewart McInnes who was then parliamentary secretary to the minister for international trade.

At that time, the international centre was in business. It was in the process of undertaking projects aimed at developing food resources in the sea in underdeveloped countries. I gather that has gone on in some 35 countries. It did a good job. It is still doing a good job even though it appears as though the centre is out of business now.

In 1985 Mr. McInnes said: "We believe that the International Centre for Ocean Development will add an important new dimension to our efforts to assist less fortunate nations. Canada, a great maritime centre, will use this centre to share its long experience and expertise in maritime resource management. As we are all aware, the ocean is a potential major source of food that needs to be developed as soon as possible".

• (1850)

I will close by noting that at a year in this century when Canada appears to have mismanaged its own cod stocks on the east coast, creating a desperate situation there, it is the same year that this government decides we should no longer be in the business of providing expertise through the international centre to the less developed countries. Maybe it is an appropriate year to dissolve.

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

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Mr. Paproski): All those opposed 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), a recorded division on the proposed motion stands deferred.

Mr. Steven W. Langdon (Essex—Windsor) moved:

Motion No. 57

That Bill C-63 be amended by deleting Clause 30.

Mr. Derek Lee (Scarborough—Rouge River) moved:

Motion No. 58.

That Bill C-63 be amended in Clause 30 by adding immediately after line 30 at page 6 the following:

"(3) The Minister of Justice shall

(*a*) identify property, including intellectual property, data bases, models or library materials, that were created or acquired by the Commission in the fulfilment of its mandate and that have a capital or commercial value; and

(*b*) transfer that property, with or without valuable consideration, to a federal, provincial or non-governmental body to be used to pursue that body's mandate."

Mr. Steven W. Langdon (Essex—Windsor) moved:

Motion No. 60.

That Bill C-63 be amended by deleting Clause 31.

Motion No. 62.

That Bill C-63 be amended by deleting Clause 32.

Motion No. 64.

That Bill C-63 be amended by deleting Clause 33.

Motion No. 66.

That Bill C-63 be amended by deleting Clause 34.

He said: Mr. Speaker, I will simply move the motions. I would like to permit my colleague to actually speak on it since he is our justice critic.

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

Some hon. members: Agreed.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I thank all my colleagues in the House. I have been watching many of them debate these motions on television. I must be a little bit masochistic to sit there and watch them when there are so many other choices.

However, it is a good debate. It brings, through the member for Mississauga who is on the government benches and is always, even though I disagree with him most of the time, controversial and engages the debate. He is truly one of the best exponents of the Conservative philosophy. It is not my philosophy but he puts it forward very well.

The hon. member for Essex—Windsor, the NDP finance critic, has really made the point in the debate for our side. One of the points he made, and it is an important point and it certainly pertains to these amendments on the Law Reform Commission, is that the government is really not going to save money in the long run. It is just taking the money that it would spend on some of these problems and shifting it over to other bodies or other ways of doing it. It is the same amount of money, but the difference is that it will control the other bodies, it will control what is being said. In other words, these will not be independent bodies.

The member gave the example of the Economic Council of Canada. The council was a bit of a thorn in the side of the government; that is gone. Now we have studies by an institute at Queen's and other studies through the finance department, and so on, which will, of course, be controlled by the government because it pays the piper.

I want to talk about the Law Reform Commission. These amendments deal specifically with the Law Reform Commission. I am the justice critic for the federal NDP and as a lawyer I have been involved over many years. Actually I became a lawyer about the time the Law Reform Commission was established in 1971. The Law Reform Commission is 20 years old.

It was established by the Law Reform Commission Act and it reports to Parliament through the Minister of Justice. Its mandate was to provide an ongoing review of the statutes of Canada to make recommendations for improvement, modernization and reform of legislation. It undertook some research in-house, contracted out other work to consultants on a full or part-time basis, held seminars and conferences, visited universities and

schools, published articles and learned journals, et cetera.

If I can put it in plain English, the Law Reform Commission looked at changing the law in a systematic, very intelligent, rational way and it has produced good results. Recently we were forced by the courts to pass new legislation on mental health because the old law was against the charter of rights. On abortions, on juries, the courts in fact threw out parts of the law and we had to come back to Parliament and revise it so that it would be within the charter of rights. In some of those cases the Law Reform Commission had long recommended this reform before it happened.

We dealt with a bill called the Contraventions Act. It took a number of minor federal statutes like speeding a boat, minor pollution laws, trespassing on federal property in a national park, being in the park without a permit or licence and so on and put forward a very simple procedure to deal with them, much as we do with the highway traffic acts when one gets a speeding or parking ticket in the province or city in which one lives. The Law Reform Commission had recommended that awhile ago and we in Parliament followed what the Law Reform Commission had recommended.

The Law Reform Commission was working, it was independent and it was producing these reports that were useful. We were spending about $4.8 million a year. What is going to happen now? We are going to do the research in-house. We are going to do it by contracting out of the Department of Justice and so on.

Does the House know what that will mean? It will mean more bucks for some big, fat Vancouver law firms. They are already making a lot of money from this minister. It will be more contracts to their friends and reports that the government can live with. If it does not like the report, it will not make it public, whereas the Law Reform Commission reports were always public because it reported to Parliament.

One of the commission's highlights for 1992 to 1993 was to continue a comprehensive study of the Criminal Code. Several recommendations by the commission have been used by the Supreme Court, other courts, lawyers or incorporated in government and private members' bills. I am a member, along with my colleague from the Liberal Party, the member for Cape Breton on the justice committee. Part of the subcommittee of that committee is considering revisions to the general part of the Criminal Code and we have used the work of the Law Reform Commission.

Here we had something that was working, something that was not too expensive, something useful and something that was independent of this government. That is the rub. It does not want an independent body. It wants to do the research in-house. It is going to spend the same amount of money and control the research.

I am concerned about some of the reactions to the demise of the Law Reform Commission. J.J. Camp, president of the Canadian Bar Association was quoted in *The Ottawa Citizen*, March 11, 1992, as saying: "I have had it reported to me by some sources that the Law Reform Commission was too independent. I bridle at that because I do not believe there is such a thing as being too independent". This did not come from the justice critic of the NDP, or the justice critic of the Liberal Party who is in the House tonight. This came from the president of the Canadian Bar Association.

• (1900)

Also, Vincent Del Buono, the president of the Society for the Reform of Criminal Law, is quoted in *The Ottawa Citizen* as saying: "The Law Reform Commission, both in terms of the legal talent it has nurtured in Canada and abroad and the prestige that its recommendations hold, has had a far greater impact than the simple mechanical assessment of its legislative implementation record would suggest. The fact of the matter is that this is a small change and what we are doing is taking the engines of new ideas and future thinking in the government and cutting them off". That is a serious charge that Mr. Del Buono makes.

In other words, here is a place where there are fresh and new ideas and we are cutting them off. Also, the president of—

[*Translation*]

—the Association des avocats de la défense de Montréal said in *La Presse*, and I quote: "The federal government used its latest budget to terminate the Law Reform Commission of Canada, an agency whose relevance to the Canadian legal system was recognized across this

country. We feel this so-called austerity measure is entirely unjustified".

[*English*]

He said that this decision, taken supposedly for economic matters or to save money, was unjustified. I did not say that. It was the President of the Montreal Defence Advocates Association. They are lawyers in Montreal and independent, outside sources.

A lawyer working for the Law Reform Commission who is not quite so independent, put it very well. She is Susan Zimmerman and one of the few people who did this. Some people in the Law Reform Commission managed to get some nice jobs out of the government. They sort of got paid off so that they would not make comments about the demise of the commission. This woman had some courage to do it.

She said: "The commission was created to provide a vehicle for lawyers and occasionally philosophers to reflect on the law as it stands and as it ought to be. This is not an idle pursuit. It is a vital part of the life of a healthy democracy which is founded on the rule of law".

The Minister of Justice made a famous speech. Perhaps it is not as famous as her Madonna-like posing in the recent coffee table photograph book. In her more serious endeavour, she said earlier this year that politicians were too often letting the courts make tough decisions for them. She called this "an abdication of Parliament's role as the primary agent of social change".

The Minister of Justice says that Parliament should be making the social change and changing the law. In fact, what we should have been doing in this Parliament, in the time of this Minister of Justice who is spoken of now as the next Conservative leader, is looking at the record. The record is that we have been responding to the courts that have told us we have to change the Mental Health Act and the abortion and juries part of the Criminal Code and so on. It refers to a number of acts along with the abortion part of the Criminal Code.

We have not been carrying this out the way we are supposed to. The Minister of Justice was right originally. We have to be the agents of legal change in this Parliament. We need independent advice to do that. We had it from the Law Reform Commission of Canada. It cost us $4 million, but we are going to spend the money anyway. We are going to spend it in contracts.

Instead of sending it to fat law firms and to consultants who are in the pocket of the Department of Justice, I say that it would be better to keep the Law Reform Commission of Canada. There are only two other countries in the industrialized world that do not have a Law Reform Commission. This is a false economy and I challenge my friends to get up and defend this saving because I say that this is indefensible. If you want to save money, there are lots of ways you could save money. This is a small amount and it is an important amount. It created an independent commission which we do not have any more.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, I would first of all like to follow up on the last remark of my colleague from Port Moody—Coquitlam when he talked about the money for the Law Reform Commission as being a small amount, but an important amount.

What we mean is that relatively speaking it is a small amount, $4.8 million, considering the good that this funding has done. This funding has acted as a cement to our legal system in Canada, along with our Supreme Court of Canada.

The member from Mississauga, who would have no more idea about the rule of law than he would about a turkey shoot, would not know the difference. His philosophy is that if you do not like somebody take them out and tie them to a parking meter, if there are not any stocks available in your community.

The Law Reform Commission goes back centuries in Great Britain. It goes back in this country to 1968 when the Canadian Bar Association actually requested that the governments of this country enter into these organizations so that we would have a means of projecting the needs of our legal system into the future. In this way our law would always have something to look to in terms of important writing and original thinking, and we would be able to take not a whole book, not a whole concept, but various ideas from one writing, from one periodical, and bring together new laws that reflect the needs of society

at a particular time. This was done when the Law Reform Commission was set up in 1971.

It has existed and done excellent work since that date. In fact, all of the provinces in Canada have Law Reform Commissions. The only government jurisdiction of the 11 federal and provincial governments that does not have one now is the federal government. All the provinces have Law Reform Commissions but the federal government does not. In a federal system of government that is absolutely incredible, absolutely stupid. Not only that, but in the British Commonwealth of Nations, Canada now joins Bangladesh and Zimbabwe as the only three countries in the Commonwealth without a Law Reform Commission.

There are those who say that the Law Reform Commission has not done anything because it has never had its ideas put into law holus-bolus. Well, that is not the way it works. Not any piece of writing, not any organization, not any person has all the right concepts needed to formulate the law for the future, but the concepts have to be there. Some will be chosen, some will not. The idea is that there be some thinking ahead into the future.

The importance of the Law Reform Commission is reflected in the fact that work of the Law Reform Commission has been cited in 255 court decisions in this country, including 44 decisions of the Supreme Court of Canada.

As my friend from Port Moody—Coquitlam has said, what the government hopes to do in closing down the Law Reform Commission is do this work itself, which is an entirely different idea than allowing the Law Reform Commission to do it.

As the member mentioned, J. J. Camp, the former president of the Canadian Bar Association, said: "I have heard it said that they were too independent",—meaning the Law Reform Commission—"I do not think that is possible".

If the government takes it over and does it in-house it will, as my learned friend from Port Moody—Coquitlam has said, probably wind up spending as much if not more. The difference will be that it will not be original thinking. The government will be able to bring forward the ideas it wants brought forward. It will be engendering its own thinking as it wants to impose it. What a terrible situation in a free country like Canada. What an odious procedure.

The Department of Justice is too prosecutorial. It looks at one side. The government departments, and the Department of Justice in particular, will have a conflict of interest because they will be bringing forward ideas in which they are engaged or plan to be engaged. That is like allowing the lawyer for the plaintiff or the defendant in a case before the courts write the decision. It is absolutely incredible and totally unacceptable.

• (1910)

As well, a policy paper may be used by the opposing side against the government. If the government introduces an idea, a concept, then that is forward, front and centre, as the thinking of the Department of Justice.

In a subsequent case, what is to stop a lawyer from taking this position of the Department of Justice and putting it before the court, from saying: "My lord, the Department of Justice is advocating this position, which I am now advocating in this case against the Department of Justice".

What a stupid position for the Department of Justice to put itself in. What an absolutely ludicrous procedure. Not only that, but we may never even find out what the writings are and what they state. We may never actually see the reports. The government may decide it wants to use the reports itself and therefore will not release them for others to benefit from them. No more will we have the courts relying on and quoting the work of the Law Reform Commission.

This whole procedure is totally offensive. Not only has the Law Reform Commission been quoted but in the 20 years since its creation it has produced 33 reports to Parliament, 61 working papers and 76 study papers.

A lot of that work will never be used. Some may say that it is frivolous, useless work. People could say that certainly about this House, and particularly about this government, yet its salaries and budgets go on.

I would say categorically that the work of the Law Reform Commission has provided much more benefit, generally speaking, than the work of this government, which has decimated the economy of this country.

It has been done because this government does not like criticism. This government does not want independent thinking. This government is totally and utterly afraid of new ideas. This government is an unmitigated Neanderthal. The reason for this is not cost cutting. The reason is the government does not want criticism.

I just want to read a couple of quotes. In Washington, the Solicitor General, the former Minister of Justice, stated that we in Canada are proud of the work of the Law Reform Commission. That was the former Minister of Justice. The present Minister of Justice stated in May 1990 that the commission's draft Criminal Code, which has been the subject of so much favourable comment both in Canada and internationally, would be of great assistance to the committee in its review, which is presently going on, of the general provisions of the Criminal Code.

The present Minister of Justice praised the work of the Law Reform Commission on the Criminal Code. No one except this government applauds the demise of the Law Reform Commission. We on this side of the House and members of the legal profession would say that this is a dark moment for law and legal thinking in Canada. We can only hope, although we have no precedent for this, that the government will show some intelligence and change its mind on this matter.

Mr. Scott Thorkelson (Edmonton—Strathcona): Mr. Speaker, I am pleased to say a few words in this debate.

I will agree with the hon. members who have spoken when they said that the Law Reform Commission has done good work. Yes, it has done good work. It was created in 1971 to help governments overhaul their laws and certainly it has done good work. Various governments have listened to its advice on many occasions and we have overhauled laws.

It costs $4.9 million each year. It has five full-time commissioners and a staff of 36. That is a lot of staff and a lot of commissioners, and it costs a lot of money.

It is my belief that in Canada we have created too many commissions and too many boards, and in a certain way we have devalued Parliament. I would rather see work of this nature done by parliamentary committees.

The member for Windsor—St. Clair has spoken so eloquently in committee meetings about the value of Parliament and how Canadians want to change. Part of that change should be that we should do more work like that done by the Law Reform Commission in the past.

It is too easy to spin out regulatory agencies and advisory bodies and so on. However, what is the role of Parliament and the role of committees but to give advice to the government? History since the McGrath commission in 1986 has shown that committees have given very independent and very good advice.

The laws that have emanated from Parliament after the reforms have been better laws than they would have been before House of Commons reform.

I ask my opposition colleagues where Parliament should fit in. Do we always have to spin off things that Parliament should be doing? Do they not believe in parliamentary reform? They talk a good story. Yet they want to create commissions and spend money and only do the politicking, but not the serious business of looking at policy in an analytical way, creating public policy and coming up with new ideas, which is what we should be doing.

Parliament has a role to play. The justice committee, of which I am a member as is the previous member who spoke and the member for Port Moody—Coquitlam, is involved, and has been, in several major studies. We have had an impact. Perhaps what should be done is to generally beef up the research bureaus of parliamentary committees and empower them to come forward with policy positions and papers.

Some committees have appended draft laws to their reports and have suggested the House leaders consider these draft laws and the government adopt and introduce them. Private members have come forward with their own private members' bills to improve the laws in the country.

I say to my colleagues in response, we have had an independent agency that has done a lot of good work but it is time we ourselves did this work and brought some prestige back to Parliament. Let us not devalue Parliament by giving its role to outsiders. We can do that independent work.

There is also a fiscal argument here. It is an expenditure of $5 million a year. We have had a deficit over the past years of roughly $30 billion a year, now $34.6 billion has to be borrowed. We have to borrow that money each year and then we have to borrow money to cover the interest on that money each year. It is a vicious cycle.

The government has had to take a hard look at where we spend our money. Some of this work will be contracted out but there will be a net saving. There will be a net saving this year of $300,000, and $2.1 million annually in the future.

Some work will be contracted from the Department of Justice but it is my hope that the justice committee itself will be able to do some of this work. The people involved in the Law Reform Commission have been placed elsewhere. I understand that most of them have jobs.

The government has been quite responsible in looking after the people who were affected by this. The library and research material has been transferred to the Department of Justice. I am sure, as the justice committee or as individual members of Parliament, if we asked to see some of that research, we would have access to that material too.

• (1920)

I support this bill to streamline a number of agencies, of which one is the Law Reform Commission. The Law Reform Commission has done good work but it is time for Parliament to regain its role as the maker of policy. It is time for committees to come forward with new ideas and reforms. I believe we can do that. It is time to get our fiscal house in order and this is one small part of it. Five million dollars a year is not insignificant. Opposition members think that money grows on trees. Everyone pays taxes and that is a lot of tax dollars, $5 million.

I believe we are doing the right thing.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I have one short comment on the issue of independence of these advisory bodies. At the moment we are speaking about the Law Reform Commission of Canada.

Have we ever thought about how absolutely difficult it is, maybe even impossible, for career civil servants in one of the ministries—let us take the Department of Justice—to do some original research. They make an original, independent proposal to the minister. I say that this just does not happen any more, that individuals in the Public Service have a career and their job is basically to do their job, to do what the minister wants them to do.

When the minister and the government say they want to embark on a certain path, the department will simply do that. I do not want to call all civil servants yes men and yes women, but basically they are going to do the job they are asked to do. They are going to do it in the way that is most consistent in the eyes of the minister, so that the minister will smile and indicate that they are a great workers and have done a great job and they will go a long way in the department.

The problem is that there does not exist enough mechanisms, if any, within the Public Service to generate the independent approach that is absolutely critical in giving government some guidance for the future. That is the kind of advice and research that the Law Reform Commission has been carrying on for a couple of decades.

Members opposite may even acknowledge, some of them will not, the leading role in independent advice that this agency has given. Other agencies—and we are dealing with six here today—have done that same kind of independent research and to government and given advice to Parliament. We are now going to be without it.

It is naive to believe that the justice department is going to commission some original work or research or drafting that is going to give it a product that varies one iota from the product that the justice ministry wants or that they wanted when they started out.

We need a mechanism like the Law Reform Commission. I regret that we are losing it.

Mr. Jim Fulton (Skeena): Mr. Speaker, I do not have a long speech to give. The House will appreciate that I like to keep my comments concise. I was encouraged to get to my feet after the remarks by the member for Edmonton—Strathcona suggesting that the justice committee of the House is now going to take over the work of the Law Reform Commission. That is pure, unadulterated smoke and mirrors.

I came to this place from the criminal justice system and I know of the work that has been done over the last more than 20 years by the Law Reform Commission. We

need an independent body that can take the time to do some future thinking, to look at the Criminal Code, to look at how laws are evolving, to look at how juries are dealing with certain matters, to look at how different judges in different areas of the country are dealing with things, to look at what is being said by the public, to hear what the public interest is saying.

We need an independent body that can do that kind of futuristic analysis and reporting to the Minister of Justice and to Parliament.

When we hear a member of the justice committee on the government side suggesting spuriously to this House that the justice committee is going to pick this up and carry it, he is doing a disservice to this House and a disservice to all Canadians who are interested in this. He might think the justice committee is actually going to do it but it cannot. It is functionally impossible, no matter how much you reform it.

Let us look at the last couple of months. The House was sitting in June. It was closed in July and August. There was the referendum in September and October. There is a four month period, one-third of the year, gone where the justice committee never sat one day, one hour, one minute on a single issue. During that whole period of time an independent body like the Law Reform Commission can carry on its ongoing investigations and research into changes that this Parliament needs to enact over time.

Earlier today we heard one of the members on the government side saying it costs $200,000 a day for the House of Commons to sit or maybe he even said $200,000 an hour, some preposterous sum at any rate. The total budget in the most recent 1991-92 fiscal year for the Law Reform Commission was $4.9 million for 36 person-years.

If the government side were really serious, that its serious intention was to put an adjunct body attached to the justice committee, do you not think the justice committee would have seen some kind of a work plan, that Whips and House Leaders would have had some discussions about a multimillion dollar adjunct body being attached to Parliament? It might have been a good idea if the government had been serious about it.

I still do not think it would have been as good as an independent commission. I do not think smoke and mirrors and charade-like arguments should be put on the floor of the House. I do not think anyone who has been associated with the Law Reform Commission for a moment thinks that anything other than the one comment that the member did make is likely to be true and it is that this kind of work is to be contracted out to law firms that are friends with the government or firms that are likely to deliver the kind of report back the government would like to implement on hot topical criminal justice issues.

Whether we are talking about capital punishment, abortion, firearm's issues, violence or about a lot of the more serious community sensitive law issues, there are political sensitivities. Of course it is easier for a government to shrug off independent advice and take advice that follows along in the same ideological rut as that party is in.

I do not bar my own party, the Liberal Party or any other party from that natural near politically instinctive role of trying to head off any kind of serious political heat that is coming toward you, whether it is in the case of someone like Philip Ng in terms of an extradition proceeding or whether it is in relation to some terribly complex and difficult issue such as some of the issues of violence that this House has to deal with in terms of reforming the Criminal Code.

I reject the facile arguments that have been put before the Chamber tonight because I do not think anyone with any interest in the law or anyone who has ever had any association with the Law Reform Commission would buy it for a moment, but the justice committee is going to do it because there is no work plan, there has been no suggestion in the committee. The chair has not come to our critic. There has been no money put forward. There have been no researchers hired. The library of the Law Reform Commission was not sent over to the justice committee so they could set up this body and start doing it.

I think it is disreputable and dishonest to try to bull the public on these kinds of issues that have significance over time. We have one of the highest rates of incarceration in the western world. We have some endemic and epidemic problems within the justice system. There are very high levels of incarceration of aboriginal people. There is extraordinarily unusual sentencing procedures

that affect people of certain income levels, backgrounds, education and employment opportunities.

I used to write pre-sentence reports for a living. I used to be a parole officer on contract to the National Parole Service. I was a full-time probation officer and family court counsellor.

• (1930)

I look back on it with interest. I know the problems that were endemic then and I look at the problems of now. Whether it is the Young Offenders Act or the Criminal Code, this Chamber has enormous difficulty in ever even getting these issues before the House, past the minister, through the bureaucracy, past cabinet and so on.

Having had one of the independent arms of serious analysis cut off in such a cavalier way leaves me with a chilly feeling about what is the real agenda. This is not an expensive operation. This is about five minutes of interest on the national debt.

I looked through the Auditor General's report. I listened to the member for Mississauga South going on about why it was great to get rid of the Economic Council of Canada; that it was too expensive; that we should dump this one in the trash barrel, get it out there into the landfill and bury it over; and that we could not have these things lurking around.

The bodies giving independent advice that the government did not want to heed or found embarrassing have found their way to the trash can. In a democracy that is a frightening revelation of a government afraid of accurate research, afraid of any kind of independent academic or intellectual evaluation over time.

What is the government afraid of? Does its ideological paranoia of Presto and the Reform Party go so far as to say: "When we go into the election campaign we need at least 30 organizations that we have dumped or cut their budgets in the last six months"? That is how we will take on Presto.

The jaw that walks like a man does not need to have these kinds of phoney excuses: "Oh, we are going to give it to the justice committee". Government members should be forthright, come forward and tell the truth about why these are being cut.

The Law Reform Commission is being cut because they did not want to take its advice. In a complex democracy we need these kinds of independent bodies because they act like the canary in the mine; they act like the bell on the deck of a ship. This body has done a lot of important work. It was nationally recognized and respected. It was internationally recognized and respected for the work it was doing for this Parliament and for the people of Canada.

No member on the government side should callously say that there is a body of this Parliament that will take it on, because that is not true. The government should admit that many of the difficult legal issues that come up will now regrettably have to be farmed out to big, overcharging law firms. We will never get this kind of broad, reasonable cost research and delivery of product from private sector firms. It has not happened in the past and it will not happen now.

I urge the member for Mississauga South and others to read the Auditor General's report. If they are looking for areas to cut, they should look within their own incompetence and neglect of departmental budgets which have been occurring for the last eight years under their administration.

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. 57. 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), a recorded division on the proposed motion stands deferred.

We will now turn to the sixth grouping.

Mr. Harvey (Edmonton East): I rise on a point of order, Mr. Speaker. Even as I rise and speak now, the hon. member for Essex—Windsor is racing to the Chamber. He has been temporarily inconvenienced elsewhere but, with the kind indulgence of the House, can be expected here momentarily. In fact, I would imagine that if I were to tell one brief joke—

The Acting Speaker (Mr. Paproski): Do we have unanimous consent to have the member for Skeena move the motions for the member for Essex—Windsor?

Some hon. members: Agreed.

Mr. Jim Fulton (for Mr. Langdon): moved:

Motion No. 68.

That Bill C-63 be amended by deleting Clause 35.

Motion No. 70.

That Bill C-63 be amended by deleting Clause 36.

Motion No. 72.

That Bill C-63 be amended by deleting Clause 37.

Mr. Derek Lee (Scarborough—Rouge River) moved:

Motion No. 74.

That Bill C-63 be amended in Clause 37 by adding immediately after line 32 at page 7 the following:

"(4) The Minister shall

(*a*) identify property, including intellectual property, data bases, models or library materials, that were created or acquired by the Science Council in the fulfilment of its mandate and that have a capital or commercial value; and

(*b*) transfer that property, with or without valuable consideration, to a federal, provincial or non-governmental body to be used to pursue that body's mandate."

Motion No. 75.

That Bill C-63 be amended by deleting Clause 38.

Motion No. 77.

That Bill C-63 be amended by deleting Clause 39.

Motion No. 79.

That Bill C-63 be amended by deleting Clause 40.

Motion No. 81.

That Bill C-63 be amended by deleting Clause 41.

Motion No. 83.

That Bill C-63 be amended by deleting Clause 42.

Motion No. 85.

That Bill C-63 be amended by deleting Clause 43.

Motion No. 87.

That Bill C-63 be amended by deleting Clause 44.

Motion No. 89.

That Bill C-63 be amended by deleting Clause 45.

Mr. Fulton: Mr. Speaker, this section of amendments deals with the Science Council. I wonder if I could have Your Honour's permission and the permission of the House to permit my colleague who is responsible for our science and technology policy to speak to the motion.

An hon. member: Let's hear your pearls of wisdom.

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, I appreciate my colleague giving me the opportunity to speak to the issue of the abolition of the Science Council. I am especially pleased by the enthusiasm expressed on the other side of the House to hear this intervention.

The hon. member for Edmonton—Strathcona is not in the House at present, but I do appreciate his reference to what he described as my eloquent interventions in favour of committee reform. However, he has had a complete misapprehension of my opinion about how parliamentary reform can be translated into the work of committees.

I would like to use the example of the committee on industry, science and technology *vis-à-vis* the issue of the abolition of the Science Council to demonstrate how vacuous, empty and unproductive is the proposal that committees such as that replace institutions such as the Science Council.

I would like to point out this is a committee that started out with a great deal of optimism about the capacity of well informed and interested parliamentarians to engage in research, discussion, debate and reflection on issues such as the issue of science policy in Canada. We had a good start.

One of the unfortunate truths of the present Parliament is that as soon as that committee with its members from all three parties began to reflect seriously on the failures of government policy with respect to science and technology and research and development, the committee has been hijacked by those who absolutely refuse any

engagement that would precipitate any kind of criticism of government policy.

There is no use our looking to committees to get the kind of reflection at arm's length and independent of government views that this country so badly needs. There is no use looking to the National Advisory Board on Science and Technology which is allowed to speak only directly to the Prime Minister whose reports may occasionally be sneaked out of the library. Science policy cannot on an arm's length basis be gained from the Department of Industry, Science and Technology. It carries out the job, it administers, it overrules the endeavours of government and relate to what is going on in industry.

• (1940)

In terms of an independent, objective examination, such as has been provided by the Science Council, not only of science and technology policy in this country, but also of scientific, technological and industrial success related to technology, only the Science Council has and can provide it.

This institution was established some 25 years ago. There has been so much attention to the cost of these bodies that are being abolished in this bill, I should point out that the Science Council has a budget of $3.2 million. Yes, you heard me correctly, Mr. Speaker, $3.2 million. A piddling sum, particularly at this time to spend on having the government and the people of Canada, I will repeat that, not just the government but the people of Canada, provided with advice that will have an impact on Canada's capacity to make the kinds of decisions, both government decisions and otherwise, that are necessary for Canada to compete in the new global economy.

We hear a great deal about the new global economy. What characterizes the new global economy are the importance of knowledge, the importance of science, the importance of technology, the importance of innovation in economic success for any nation.

If there was a necessity to demonstrate the need for good science policy and changes in science policy in this country, all one has to do is look at the performance of this government since it came into office in 1984.

On the basis of every objective criteria, not only has Canada failed to advance in its relative position with respect to research and development and technology, it has also fallen behind. There has not been one single net increase in the devotion of resources by this country to improving the scientific condition of this country needed to advance our industrial and economic growth, not one.

Of course, one of the problems with the Science Council is that it recognized that. It said so. One of the things that occurs to me about the execution of all of these institutions is that old legend about the monarch who, displeased with his advisers, said: "Off with their heads". This is what has happened here. The Economic Council disappointed, off with its head; the Science Council dared to criticize, off with its head; the Law Reform Commission dared to be critical, off with its head.

A very important Canadian had something to say about this. John Polanyi, the Nobel prize winner, expressed it this way: "In our concern that the size of the ship is too big, we are removing the rudder". At a time when we need, desperately need, the work of the Science Council, off with its head. Buried completely.

For the information of those across the aisle who look so mystified, let us give them a few examples of the things in which the Science Council was engaged. It was in the process of doing studies of 15 of Canada's industrial sectors in respect to their research and development performance. It was looking at the role of women in science. It has looked at the environment. It has looked at science in the north. It has looked at community economic development. That is a study which has been only slightly recognized. It is a very important series of studies and fora in the municipalities in this country which relates to how one goes about generating new jobs, new industries, and bringing about economic development in a sieve.

The council looked at biotechnology. It looked at education. It looked at a whole host of things which were necessary to straighten out if we were going to come to grips with the need for new science, new technology, and new innovation, and real high value industrial growth and economic growth in this country.

Now we are left with one of our most prestigious institutions eliminated. We are left with a government that remains rudderless. As my colleague has said, it has eliminated the Science Council and the Economic Coun-

cil and it is inventing things like the prosperity council out of the prosperity initiative.

I would like to quote the words of a member of Parliament to whom I am very close and who summarized this very well. This is in reference to those who attempted to convince the government that its decision was wrong-headed. It goes as follows: "No matter how little support there may be for the elimination of the Science Council or the Economic Council or other bodies that were eliminated, and how little justification there might have been for the government to carry out these executions, you are likely going to find what too many Canadians have found: No matter how legitimate the claim, no matter how perfect the point of view, no matter how important what it is you have to say for the guidance of this government, it will be ignored. Your head will be cut off".

That is one of the reasons we have such disrespect and cynicism about politics. It is because the democratic process is not working. It cannot work if the government continues to disregard not only the voices of the people but also the voices of those who know more than this government is capable of understanding and whose advice is rejected. It is advice that would be in the interests of Canadians at a time when, particularly in science and technology and research and development, we so badly need a voice that is listened to.

This government is condemned by its actions. It will be condemned by the people. It will be condemned by those who continue to lose jobs and who continue to fear losing their jobs because this government is too stupid to know that it is stupid and that it needs advice.

Mr. Benno Friesen (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I will not speak long but I do want to respond to one of the comments that the member made. He spoke quite forcefully about the need to make sure we are prepared to participate in the new world economy. I take it he does mean the new world economy and I agree with him. We need to and for that we need up-to-date technology and up-to-date industry to be able to compete.

I understand from him and his party that they are opposed to the free trade agreement. They are opposed to NAFTA. Yet they want to be part of the whole new world trading arrangement.

Maybe he wants to have an updated technology and an updated manufacturing sector to make sure that our inventory shelves are all stocked up, but we are not trading with anyone if we are not trading with the United States and with Mexico. We will have a surplus that we cannot handle because most of our trade is with the United States and hopefully our trade will build with Mexico.

Surely one of these days members of that party are going to have to get it together. If they want to have an updated technology, an updated market and an updated industrial sector, I guess it is not unfair to ask if they want to sell a product. If they want to sell it, to whom do they want to sell it? Maybe the best customers would be the United States and perhaps even Mexico.

If he wants to have a world trading economy and he wants Canada to be part of it and he thinks that the national science council is important to it, that is fine. Then he also has to agree that it would be best to build the kind of trading arrangements that would enable us to sell those products and to deal with disputes, if there are trading disputes between those two countries. Sooner or later they will have to get together and come to a conclusion.

• (1950)

Mr. Jim Peterson (Willowdale): Mr. Speaker, the words of the last member who spoke from the government side of the House put in stark relief the difference between members of that side and members on our side. To him the major problem is, who do we trade with, where do we get the markets.

This has never been the problem. The problem is what do we trade with. This is represented today by one of the most shocking statistics about our current economic plight.

Today we have a $15 billion trade deficit in high-tech goods. This deficit is increasing every year. It means that we do not have the capability of producing the modern, technologically sophisticated goods that this world is demanding.

Small wonder that our standard of living is sinking. Small wonder that in two years our ability to compete, according to the World Economic Forum, has fallen from fourth to eleventh position.

What is the reason for this? The world community has condemned our economic performance on the basis that we do not have the technology. We do not have the science. We do not know how to obtain it. We do not have a science culture, a technology culture. We are not educating our people in these areas. We are not training them in these areas. We do not know how to obtain it from elsewhere and apply it to Canadian production.

If we are going to compete in this global community, it is incumbent upon us to make sure that we have the goods and services that the world demands. They are no longer demanding our abundance, our natural resources. That is a very competitive market. The advantage we had from our natural resources no longer brings us wealth. We are going to have to create it out of our heads, out of our human resources, out of our minds and our efforts and our talents. This is a challenge for our young people, to adapt to that new global requisite for creating wealth. What has this government done?

In 1984 the Prime Minister promised that we would double research and development. We started to approximate world standards. From 1984, when we had 1.4 per cent of our gross domestic product invested in R and D, we are now at 1.3 per cent. We are going backwards.

Our competitiveness, our ability to compete is declining annually. Our high-tech trade deficit is going up. We are in trouble. What has this government's response been? As the member said, and I take it at face value, its major economic thrust was to get us into the new markets of the world, but it never found out what it was going to be with. It was not going to be with the goods that created the jobs and the value added here in Canada. Why else since free trade would we have lost 375,000 or 18 per cent of all our manufacturing jobs?

It is because of its free trade policy, combined with its obsession with inflation rather than dealing with the fundamentals of what make a competitive economy in the goods and services that we are going to have to trade.

Today, in this bill, we are asked to perform the final rites for the burial service for the Science Council of Canada, an institution which this government killed off some months ago. The Science Council of Canada was doing more work than any other body in this country to deal with the questions of technology, developing a science mentality in Canada, getting our younger people interested in science, transfer of technology, ways to diffuse it throughout our economy. It had done more work in this area than any other body and it cost us only $3.2 million a year. The $3.2 million is a lot of money, but not when we consider that it had some 25 of Canada's best professionals on its staff, not when we consider that the prosperity agenda of this government cost us seven times that. What did it produce? Yes, some good recommendations, a few pages, but not the volume of detail, scientific and economic research into science and technology. Where is this government's priority?

Why would the government kill off a body which, it admits, was doing work that was critical to our future? Our government pays lip service to science and technology, saying we need to have more of it, meanwhile cutting its commitment to science and technology.

Just look at its cuts to bodies such as the NRC. Look at the way it cut out completely the Economic Council of Canada. What happened? The government abolished the Science Council of Canada, not because it was not living up to what the government hypocritically is saying Canada's future needs, but because that Science Council was the only body, through its chairperson, Janet Halliwell, to say: "Government, you must not be cutting back, particularly when you are saying that Canada should be increasing in these areas". That person had the temerity to criticize publicly the government, unlike other persons who have come before our industry committee in the past, such as Mr. Perron from the NRC who said, no, he would never as the head of the major research body in Canada have the temerity to criticize the government; oh, no, that was not his role. The government could keep cutting as much as it wanted. Janet Halliwell had the guts to tell it the way it was. What happened? Today we are here to perform the final rites on Janet Halliwell and the Science Council of Canada.

Let me say one more thing. Not only is this government hypocritical, ill-informed and misdirected in what it has been doing in terms of science policy, it is continuing to pervert this process. When the government a few months ago abolished the Science Council of Canada, killed it, the industry committee, the standing committee of this House, through the opposition members, said we should at least have the Science Council here to have a report on what it has done, what it has accomplished and to get the benefit of its wisdom, even though it is no longer here, as to what we should be doing in the future.

Would the government House leader allow that Science Council to at least impart its wisdom to a committee consisting of all members of this House? No. Absolutely not. The Whips were on. This government was too embarrassed to have any more publicity on this shameful issue. At least the finance committee was able to get the Economic Council before it.

Let us not continue with the approach being adopted by the government. It is trying to throttle debate on Bill C-91, the drug bill, when all we want to do is have witnesses who can tell us whether its drug policies are working as it promised. The government is afraid to have the light of day shed on what its measures entail. It is so ashamed of its acts of cutting the Science Council, of trying to change the drug legislation through Bill C-91, that it is trying to scupper debate. It knows when the Canadian public hears these witnesses, they will rise up in further rebellion against the economic mismanagement, economic incompetence and the totally dictatorial and misdirected attitudes of this government.

• (2000)

Mr. Murray W. Dorin (Edmonton Northwest): Mr. Speaker, I appreciate the opportunity to say a few words on this motion. I am not someone who would claim to be particularly familiar with the Science Council of Canada, but I recall that two or three years ago there was a gentlemen from Edmonton by the name of Ron Grantham, a distinguished engineer, principal in major engineering firm in western Canada, well known person in the community who was appointed to the board of the Science Council.

I recall seeing a letter he wrote after a period of time on the board. I believe it was addressed to either the Prime Minister or the minister—I received a copy of it—where he suggested that the Science Council was simply redundant, duplicating what was being done otherwise, and generally his recommendation as a board member was that it should be abolished. I was quick to contact him after the announcement and let him know that he was now out of a job which he, frankly, was glad to hear.

The mandate of the Science Council was to assess Canada's scientific and technological resources and requirements and to increase public awareness of science and technology issues. It had 30 council members, supported by a staff of 29 and a budget of a little over $3 million a year.

When the council was established in 1966 there were no other forums to provide independent advice on science and technology issues. However, with the establishment of many other institutes and centres of research and science and technology there are now many sources of information and advice available on those issues.

Clearly, government spending must be examined to increase its efficiency and effectiveness. In particular, resources in support of science must be rationalized to target research and minimize overhead. The closure of the Science Council will accomplish this with savings of $3.1 million annually starting in 1993-94.

The Science Council and the Department of Industry, Science and Technology have prepared a wind-up plan to predict Canadian taxpayers' investment in the council's assets, to prepare a fair, humane, severance package for its employees, and to outline its intentions for work in progress.

Almost all the work in progress at the time of the February budget announcement has now been completed. Furthermore, Industry, Science and Technology has assumed responsibility for printing and distributing final publications to the public once the council becomes dormant.

The National Library, pursuant to the National Library Act, has arranged for reassignment of the Science Council's library collections, and archival collections have been handed over to the National Archives as per the National Archives Act.

To conclude, the decision to close the Science Council was the right one as it achieves fiscal savings, rationalizes the government portfolio departments and agencies and redirects science resources from overhead to researchers.

Mr. Jim Fulton (Skeena): Mr. Speaker, I am glad to have an opportunity to speak on the Science Council because it is a body of which this government and this Parliament was and still is in great need.

I think of the words of Canada's Nobel Prize laureate, John Polanyi, where he said: "In our concern that the size of the ship of state is too big, we are removing the rudder."

We are not talking about a great deal of money. We are talking about $3.2 million. I know the member who just spoke said he was not too familiar with the Science Council of Canada. He is probably not aware that it was wrapped up in July. They are not actually working on a wind-up plan now but shut its doors a number of months ago.

In speaking of Nobel Prize winners, I am reminded that two days ago, 1,600 scientists representing almost every country in the world, 100 of them Nobel Prize winners, held a press conference and warned all of the government's of the world of the impending dangers of ozone depletion, in part because of the meeting going on in Copenhagen where our Minister of Environment is at the moment.

They have come to a new conclusion, one that I think Parliaments such as ours needs to take a look at. A body like the Science Council of Canada would have borne the message to this Chamber, to the Prime Minister and to the cabinet. These scientists have come to some conclusions over the combining effects of ozone depleting substances over the Arctic; this is over northern Canada. When you get carbon dioxide into these super cold air masses higher up above the Arctic, the super chilled carbon dioxide does the same ozone depleting as do CFCs and halons and all of these other substances that we have heard about. These 1,600 doctorate level scientists world-wide are now predicting that the ozone will disappear entirely over the Canadian Arctic.

It seems to me that this is the kind of thing that should be debated in this Chamber. Perhaps it is not because as David Suzuki discovered when he provided a questionnaire to a sampling of this Parliament, he discovered that the average level of comprehension on science issues is grade 4. My son is in grade 5. He is 10 years old and he has a higher level of comprehension than the majority of members of this Chamber. I do not denigrate the Chamber for that. Individual constituencies elect members from many different backgrounds. But one of the things that members of this House have not been doing and should be doing is regularly reading scientific periodicals and getting briefings from independent bodies like the Science Council of Canada.

It is just beyond me. This government likes to practise what I call voodoo economics, and this is an example of a book-burning mentality. The Science Council made a number of recommendations on research and development; that we should be going forward on R and D from 1.4 per cent forward and yet under this government we have been going from 1.4 per cent of our GNP backwards. When recommendations saying: "If you are going to get anywhere, you are going to have to get some serious financing into the science community; you are going to have to start going on some of these high-tech ventures and high-tech products, and you have got to have a skilled, trained work force and a skilled, trained academic work force which is capable of staying at the cutting edge." We are not doing that, Mr. Speaker.

We heard my friend from Surrey—White Rock talking about the issue of the Science Council and the expenditures, the need to save money. We heard from the member for Mississauga South saying that we need smaller government, not bigger government. That is no longer the debate in this country or in the world. What we need is better government. We need reasonably intelligent and reasonably well-educated and reasonably with-it people who are involved in the process of governance, in the Public Service and in the work force.

I am appalled. Of the 295 members in this House, there is only a handful who could pass a grade 5 exam on what the depletion of the ozone is all about, who could really tell you what sustainable development is, who could tell you why there are 70 endangered species in Canada, who could tell you why it is important to protect 12 per cent of the endangered spaces in this country.

An hon. member: How do you know, did you run tests of members of the House?

Mr. Fulton: Tests have been done. Yes, a test has been done, and the average level of comprehension on science issues is grade 4.

There is 39 or maybe it is 49 members of the cabinet. Most of the members on the government side, at any rate, are in the cabinet so we know the average comprehension level in the cabinet is grade 4 or less on science issues.

We have book burning. Right? That is what you do when you do not like advice coming from people who are educated, you burn the books and you shut them up. Get a big sock and jam it in the mouth of those members of the Science Council. For God's sake, do not let them tell you that there are serious issues out there; do not let them talk about Great Lakes water quality, long chain organo-chlorines; do not let them talk about the problems of plutonium; do not let them talk about what is going on in the atmosphere. Just stick in there and worry about the bottom line. Make sure you get lots of ink—with this government it does not seem to matter whether it is red or black, just make sure you have lots of ink.

An hon. member: It's all red.

Mr. Fulton: It's all red. We have never had it this bad.

Let us compare, Mr. Speaker. The cabinet, these experts on science, decides to buy $4.4 billion worth of helicopters. Then it says: "We are going to put them on our new frigates. We have 10 ordered and we have had one delivered", but the helicopters have too wide a swath to land on the frigates. So it says: "Well, we bought them anyway; we'll use them for search and rescue". Out go the cabinet, riding across the land saying "We bought these for search and rescue".

• (2010)

I have talked to the search and rescue guys who actually jump out of helicopters to rescue people off mountains, out of the ocean and from sinking boats. They say that you cannot perform search and rescue out of the new EH-101's because the down-wash is 160 miles per hour. It would blow their eyeballs out on the pavement.

They cannot get away with that. They have 50 helicopters. They cannot land on the frigates so they cannot go offshore, they cannot chase subs, they cannot go out and check on the fishing fleet because they cannot carry enough fuel to go out, and they cannot conduct search and rescue missions because the down-wash is too strong.

It is like the subs. This is the same cabinet that was going to buy 10 or 20 nuclear subs and keep them under the Arctic ice to count polar bear tracks. We need the Science Council of Canada.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, speaking about significant down-drafts I want to address one more item in this bill. I want to note that we are dealing with a number of sections involving the dissolution of the Science Council of Canada. Clause 36 says:

> The council is hereby dissolved.

I want to point out that this section is not yet passed. That is what we are debating here.

Subclause 3 of clause 37 reads:

> The minister may do and perform all acts and things necessary for and incidental to closing out the affairs of the council.

Today my office attempted to reach the Science Council of Canada, which is still not dissolved. The minister has not been given the authority to close out the affairs of the council. We found that neither Bell Canada nor the government operator had a listing for the Science Council of Canada. By dialing both of the old numbers we found that the numbers had been disconnected. When my office called the general inquiries number at Industry, Science and Technology we were advised that "the council has been shut down and no longer exists".

Why are we here? Why are we debating the dissolution of the Science Council if the minister's department is saying that it no longer exists? Why are we authorizing the minister to do things when he has already done them? Could it be that he has done them without authority? Someone from the other side has to explain this in this continuing debate. Help us out a little bit on this question.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I listened to some of the debate about scientific illiterates in grade 4 and I felt I had to come in to defend some of my cabinet colleagues. I thought that I would defend the Minister for Science, who has a Ph.D. in metallurgy. He probably understands as much about

science as the hon. member for Skeena's 10-year old son who is in grade 5.

Maybe the Minister of Indian Affairs and Northern Development, who has a Ph.D. in aeronautics, might understand a little bit. Maybe the government House leader, who has a Ph.D. in chemical engineering, might understand. Who knows?

What really brought me in here was that I heard a glimmer of hope when I heard about the necessity for research in Canada. I heard members of the Liberal and New Democratic parties talk about more research. Right now before this Parliament there is an opportunity to pass legislation that will bring forward a billion dollars in incremental research in pharmaceuticals, biotechnology and all those important areas.

I hear the professor from Windsor talking. I would ask him to talk to the biochemists, the biologists, the pharmacologists and the medical researchers in his university and ask them what they think about Bill C-91. I have at least 100 letters from researchers across this country who say that passing Bill C-91 is the most important thing we could do to help research and development in this country. I was delighted to hear the concern about research and development from the opposition parties and I look forward to their support on that important legislation.

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. 68. 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), a recorded division on the proposed motion stands deferred.

Mr. Steven W. Langdon (Essex—Windsor) moved:

Motion No. 91

That Bill C-63 be amended in Clause 46 by deleting lines 41 and 42 at page 8 and substituting the following therefor:

"come into force on July 1, 1994."

Mr. Derek Lee (Scarborough—Rouge River) moved:

Motion No. 92

That Bill C-63 be amended in Clause 46 by striking out line 42 at page 8 and substituting the following therefor:

"by order of the Governor in Council but no earlier than one year after the date that the Act receives Royal Assent."

Mr. Langdon: Mr. Speaker, this has been an interesting debate. In many ways it is not a bill that we really expect to see change because, as the representative from the Liberal Party has pointed out, these institutions have already been wound up despite the fact that we on this side of the House have not had a chance to debate even the report stage of this bill in the House of Commons. There has not been final passage of the bill in the House of Commons and yet all of these institutions are dead for all practical purposes.

The reality is that this government has not respected Parliament on this issue. This government has simply ploughed ahead despite the fact that Parliament passed acts in the past to establish these institutions. Now these institutions no longer effectively exist, despite the fact that these acts are still on the books.

This is as clear a demonstration as you could possibly want of the contempt for democracy which infects this Conservative Party, a contempt for democracy which leads this party to continue to hold office despite the fact that the Prime Minister of the country stated before he was elected that there should be an election every four years. Yet this government stays in power despite the fact that it has been well over four years, five days or four days over. It has been over four years and there is no prospect that this government has any intention of facing the people within the foreseeable future.

The Prime Minister has stated that he will probably be thinking about an election next August. That also shows the contempt of this party in power, as far as the democratic process is concerned.

The reality is that six institutions are being eliminated by this bill, including the Advisory Council. There are six institutions being eliminated and at the same time a prosperity report is being brought in by this government to establish six new institutions which I am certain will cost far more than these six that are being eliminated. The difference will be that these new institutions will be six new sources for Conservative patronage, six new chances to put people into positions at the public trough before these people are booted out of office. This is not the way a decent, democratic government in this country should run. A decent, democratic government in this country should have resigned after the referendum defeat of October 26. A decent, democratic government should now be facing the people. They should be facing the people. They should be receiving all the portents of defeat which are certain to face them no matter when they face the people.

• (2020)

They can delay. They can put it off. However, they have a date with the guillotine and that guillotine is going to come down. It is going to be, as some of them tried to suggest during debate the other night, a chop-chop ending to this government. This is an ending which is deserved, an ending which is long overdue, an ending which we will help to bring about, an ending which will, in the end, lead to their replacement by a social democratic government that will put into effect a decent, democratic government that will serve the people in this country. It will be a decent, democratic government which responds to the needs of the country and is not interested in simply establishing patronage positions. It will be a decent, democratic government that will act in an honest, straightforward way instead of trying to hoodwink people as this government is trying to do by eliminating six institutions so it can set up six more that will cost this country even more in the future. Let us throw these people out as fast as we possibly can.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, the hon. member for Essex—Windsor was doing very well in his speech until he got to the bit about social democrats replacing the government and then I realized that his head was in the clouds where it usually is with his fellow friend and premier, Bobby Rae, who we all know has been a total disaster in Ontario. Indeed, almost everyone in this House realizes that if we had any other government in Ontario except the Rae government, Ontario would be out of the recession and the country would be on the road to prosperity again.

The only thing stopping that is this bunch opposite with their high interest rate policy and this kind of legislation which is doing untold damage to the fabric of the central government and only aggravating matters which are made worse by Bobby Rae and his group in Ontario. If these members beside me on my left would smarten up and tell Bobby Rae what to do and help get this government out instead of pandering to the government the way they do, we would all be better off.

If there was an election tomorrow it would not be just the government that went down the tubes. We would get rid of the NDP as well because Canadians are sick and tired of the pious nonsense they utter in this House on a daily basis.

What we are talking about in this bill is an attempt—

An hon. member: Don't count on it.

Mr. Milliken: The hon. member says: "Don't count on it". I say call an election. We will find out. I urge him to look at the polls. At 14 per cent they have big trouble.

I want to say that the bill before us has chopped six venerable institutions in Canada. The amendment we are faced with tonight is one that deals with a date on which this act is to come into force. It is clause 46 of the bill.

I am disappointed in the amendments that have been moved, frankly. Had I realized the amendments were so brief in their import, I would have moved ones that were a little longer myself. The hon. member for Essex—Windsor was prepared to let this bill come into force on July 1, 1994. Why 1994 for heaven's sake? It is only two years away. It is ridiculous.

I would have put this off for 15 years. Why would we ever agree to a bill that came into force that chopped all these agencies right away? As my good and learned colleague from Scarborough—Rouge River has said, the

government has implemented this bill before we even started debating it.

It chopped the Science Council of Canada even before today. The hon. member tried to phone them today and could not get an answer. Where did he phone after that? He called the Minister of Industry, Science and Technology.

He has been proven incompetent. We read the other day in the Auditor General's report how he was letting out contracts of $700,000 without tender to all his Tory fat-cat friends. That is what was going on there.

As for the prosperity initiative, we know who got prosperous as a result of the prosperity initiative. It was a pack of Tories. They were the ones who got prosperous as a result of the prosperity initiative. It has been a total disaster for Canada.

My distinguished colleague from Glengarry—Prescott—Russell asked an intelligent question on this subject the other day and he got absolutely no answer whatever from the government. I am not surprised.

If the government is prepared to chop the Science Council and the Economic Council because it does not like their advice, clearly it is prepared to do anything and to go to any length to make sure that it does not suffer at the hands of the electorate. The best way to do that is to give good contracts to your fat-cat Tory friends who will give you back the money in spades and campaign donations. That is what we see going on right now. That is what is going on in this country at this moment.

The hon. member looks shocked and pretends he is shocked. He knows perfectly well what is going on. We see it on this side of the House every day. We may point it out. Hon. members opposite laugh. Listen to them laugh now, Mr. Speaker. They laugh. They think that wasting the public funds of Canada on lining the pockets of Tory fat-cats is a good policy or something that they should laugh about.

We on this side are not laughing. We think this is a disaster for this country and the sooner we have an election so that we can get this bunch out the better it will be for all Canadians.

Let us look at this bill. Let us see what the government has done in this bill. The Economic Council of Canada was headed by a very distinguished economist in recent years, Ms. Judith Maxwell. Queen's University in my constituency has hired Ms. Maxwell to assist them as assistant director of the school of policy studies at Queen's. They have taken her on primarily so that she can complete the very important research that was being done by the Economic Council of Canada before this government announced that it was terminating the Economic Council in the last budget.

An hon. member: It is being done at the expense of Queen's University.

Mr. Milliken: I believe the Government of Canada is paying some money to complete this research work. Therefore, it is not all at the expense of Queen's University, although I have no doubt the university is picking up some of the cost.

An hon. member: It is patronage in your riding.

Mr. Milliken: It may be an advantage in the riding. I would not say it is patronage. Normally, when research is done by universities as he must know, universities themselves pick up some of the cost. That cost is being absorbed by Queen's. I have no doubt that it is absorbing some cost in having this done.

Nevertheless, it has the advantage of having the good advice and the instructional capability of Ms. Maxwell whose ability is well known and well recognized across this country because of the excellent work she did for the Economic Council of Canada. Yet the government decided that it did not need this kind of advice. Why not? Because it did not like the advice. That is why not.

The advice was contrary to the rather stupid policies the government has been following in this House which have cost Canadians dearly every day and month of the year. We have paid handsomely for having this government in office.

The questions that were asked by the Leader of the Opposition today and by the member for Windsor West and even the one by the opposition House leader on the Westray situation all indicated a complete and flagrant abuse of the use of public funds in Canada since 1984 and certainly in the last couple of years. That is a subject that should be the subject of intense discussion in the course of an election campaign.

I cannot believe that there are only two minutes left. Have I spoken for eight minutes already? I find this hard to believe.

An hon. member: See how time flies.

An hon. member: It is too long.

Mr. Milliken: The hon. member says: "It is too long". I can understand his discomfort. I can understand how uncomfortable he feels hearing these true remarks about his government's disastrous record for Canada.

Let us turn to the Law Reform Commission. That is another good one. The Law Reform Commission has provided excellent service to Canadians over the years. I have talked, on second reading of this bill, about when I was in South Africa some months ago with some colleagues from the other side who unfortunately are not here tonight. They have been fleet of foot and I can understand because they must be terribly embarrassed.

• (2030)

In South Africa, we met with a senior representative of their Law Reform Commission. He was not the chairman but he was very senior member of the commission. In the course of our trip, he sat down to a very nice lunch with us to talk about the Law Reform Commission and the work it was doing in South Africa in trying to end apartheid in that country.

His first remark was how much he appreciated the work of the Canadian Law Reform Commission. The reports they received from Canada were among the best in the world. That is what he said. I said: "Well of course". This was in March. The budget came down in February and the government chopped the Law Reform Commission. I said to him: "Well, of course you realize our Law Reform Commission is being terminated". He said: "What?" I said: "Oh yes. In the latest budget the Minister of Finance gave it the chop".

My two colleagues, who are both Tories, good friends of all my hon. friends opposite, went: "Oh no, you would mention that", as though this was something that had gone wrong. Well, it had gone wrong. They realized that their government had failed them badly. Their government had let them down. Their Minister of Finance had done something he should not have done. They knew it but they are not here to vote against this bill tonight. I bet you they will not be here tomorrow to vote against it either. They were so ashamed. They almost went blue in the face they were so shocked.

If the hon. members opposite had any sense of shame, any sense of decency, they would also stand up and vote against this bill and get this government defeated in this House so that we can have an election and then see who wins. Because if they really believe that what they say is right, if they voted against the government, they might win their own seats. The five or ten that are here might win their own seats and the rest of them can go down to defeat.

The government would be thrown out. We would get a good Liberal government in Canada and Canadians would rejoice. They would rejoice. Canadians would be so pleased that these members had voted their government out they might elect them again.

[*Translation*]

Hon. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I truly regret the day the Government of Canada announced it was terminating these institutions. There was one in particular that meant a lot to me and still does, and I am referring to the Canadian Institute for International Peace and Security.

I would like to go back very briefly to April 1984, when, if I remember correctly, we had a debate on second reading of the bill to establish the institute. If I am not mistaken, the bill was referred to the standing committee on external affairs and national defence which I had the privilege of chairing at the time. There were many hurdles to overcome, and I must admit a number of parliamentarians made clever show of ostensibly supporting the bill, because they realized the Trudeau era was drawing to a close and did not want to be accused of preventing the establishment of this important institute. It was important to the people of this world, to Canadian pride, to the young people in our universities and to those who believe that Canada has a major role to play in this area because of our exceptional reputation on the international scene, a reputation I wish Canadians would be more prepared to recognize, because I often notice that foreign nationals take greater pride in Canada than Canadians do themselves. When I say Canadians, I also

mean Quebecers, because to me, Canadians include Quebecers.

In 1984 we managed to do the impossible. We were able to report the bill back to the House on June 28, when it was passed. The next day, the Right Hon. Prime Minister at the time, Mr. Trudeau, had the extraordinary kindness to thank the chairman of the committee. I must say I was not in the habit of being thanked by the Right Hon. Mr. Trudeau. Since he assumed I was in the House, he was particularly cordial, but unfortunately I was on the telephone in the lobby, trying to clear up an immigration problem, so I did not hear a word of what he said. I do know that at the time, there were several members like my friend, Stan Darling—even if it is against the Standing Orders to refer to him by name, I will take that liberty—who was involved in those issues, and I am sure he will remember.

[*English*]

The Prime Minister of Canada at that time said: "This is one of the nicest things that happened to me on my last day, the 29th of June, 1984". It was also the last day for the minister of foreign affairs, Allan MacEachen, who announced also that day that he was not going to run again and went to the other place, as we like to call it.

Now, today, the peace institute is disappearing, the pride of Canada, because of a few million dollars.

This institute was created to try to understand the changes in the world. Now the government thinks that communism has exploded, it is finished. Well let me tell you otherwise. This institute would be as important now as it was then to study the world at a very low cost to the taxpayer.

I am known as Mr. Scrooge in my party. I do not like to spend money in a frivolous way. However I have to be on record not because I have given much of my life to that institute, not because with my friend, the hon. member for Parry Sound—Muskoka, we believed at that time that we should have that institute, but it is because of the good that it could still do today.

I am telling you that if I stay in this House longer, if the gods of the day, the ladies who sit in heaven, are kind to me and if I do come back here and if there is a chance, I assure you there will be a reinstitution of a peace institute of that kind.

The world is becoming more and more difficult. Canada has the reputation in the world of being sensitive and understanding. People look to us as a breath of fresh air.

[*Translation*]

The whole world sees us as a glimmer of hope in an increasingly complex world. People think that if Canada can find some solutions, there may be some hope at the United Nations. The institute analysed all these issues and invited people from all walks of life. You are aware of my support for the Palestinian cause. The institute organized meetings between the people of the country I recognize, the State of Israel, and the people of a country that should exist, which was and will be called Palestine, to try and understand the motivation behind their mutual hostility. I see the hon. member for Outremont, a psychologist who knows that if we understand what motivates people, if we understand the motivation behind love and hate, a solution can be found.

The institute provided a dispassionate analysis of the international situation in a world that is changing fast, too fast. We need people with this kind of dispassionate view and an insight, and I admire them. I would like to name all the directors of the institute, but I will name the first one, Mr. Pearson, the son of the man who brought me into politics, Lester B. Pearson, a man of peace, who incidently was the first secretary and the first director general, and the last director, Bernard Wood. No partisan politics here.

Like all the people who wrote to me and whose letters I am still answering, I don't understand. I can find no rational explanation.

• (2040)

[*English*]

I wish to give a rational explanation to people who ask me why it was cancelled. I cannot find one because it was good.

We talk about a new world order. The United States says that there is a new world order. I do not want to live under that kind of definition of new world order. I want—and this is what the Peace Institute was trying to do—more than one superpower in the world. This is known. I want Europe to be one. I want Asia to be one. It is very dangerous if we do not understand the definition of the new world order as defined by the United States of America, our friend and our neighbour but certainly not

my patron or my boss. The Peace Institute was trying to—

[*Translation*]

—analyse these complex situations.

So I wanted to put this on the record, and I want to thank you, Mr. Speaker, for your kindness and I also want to thank one of the committee's survivors, the hon. member for Parry Sound —Muskoka—

[*English*]

He has been the pillar of the committee on foreign affairs. When everybody was talking nonsense, he was the only one who could come to the committee and say: "That is enough, Mr. Chairman, they are out of order". That would include his own colleagues and at times my own colleagues. I was happy because I felt I had the confidence of my colleagues.

First, I regret. Second, I do not understand. Third, I would hope whoever is in government would reconsider the good that was created by that institute and reconsider the re-establishment of that institute some day. That is why I wanted to be on record.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I will not take up too much of the House's time, but this is the first chance I have had since the beginning of this debate to address the termination of these agencies.

[*English*]

It is important for all Canadians to realize just what it is that the government is trying to shut down tonight. When I say trying, I know it will ultimately succeed. It is not that I want it that way but for the time being, albeit temporarily, we still have a majority of Conservative members in Parliament. They want to shut down the Canada Employment and Immigration Advisory Council at a time when issues involving immigration are, shall I say, probably at the top or close to the top of the political agenda of our country.

The Canadian Institute for International Peace and Security is proposed to be shut down. The hon. member for Saint-Denis put the case for retaining that institution so well that there is little I could do to embellish the very good argument he has already put forward.

Turning to the Economic Council of Canada, here we are in the depths of a recession, the worst one we have seen since the great depression of the 1930s by far. There is higher unemployment and the toughest economic situation I have ever had to live with. Yes, I was there in the previous recession of 1982 and in my riding this one regrettably is far worse. At a time when we could be listening to constructive suggestions to get out of the recession, the Economic Council of Canada is all but non-existent save and except a telephone line.

Next is the International Centre for Ocean Development. Last night we were hearing about environmental issues in the Soviet Union. We learned that tonnes of radioactive waste had been dumped in the Arctic for years and none of us knew about it. The new Russian authorities are now making us aware of the environmental disasters created by previous administrations.

On the Law Reform Commission I read a submission some months ago in a newspaper article which indicated that Canada without a Law Reform Commission would be right up there with underdeveloped nations of Africa. I believe the example used was Rwanda. That is now where we are.

I am not a lawyer, not that I apologize for that of course, I want to tell my colleagues over here particularly, but I have read extensively the reports of the Law Reform Commission on a number of issues. I can think right now for instance of the reports it did on such controversial issues as abortion and others, not that I have always agreed with everything that was said. As a matter of fact, I have agreed with dissenting reports but it does not matter. I had good, sound, unbiased information provided by great legal minds that I as a legislator could use. I am not the only one; the courts and others read them. How many people have read reports of the Law Reform Commission? The former Law Clerk of Parliament sat on the Law Reform Commission. I am speaking of Joe Maingot whom you probably know quite well, Mr. Speaker.

We are at a period when we are talking about the future of our country being in research and development. We as a nation are in the process of establishing a space agency. We are debating a bill right now—and I do not happen to agree with the government on its merits—on research issues such as pharmaceutical products. Yet the Science Council of Canada is being abolished, an

agency that could give us and give Canadians good and sound advice.

What are we doing it for? I want all Canadians to know that we are doing it to save $22 million a year. I am not saying that is a small amount. That is a lot of money.

An hon. member: Yes.

Mr. Boudria: Now that we have all acknowledged that is a lot of money, including the member for Mississauga South, let me give a few instances of money not so well spent.

I just happen to have a copy of the Auditor General's report tabled in the House yesterday. Let us read a few excerpts from this report. It is quite good stuff. I recommend it. It is good reading.

Let us talk about the industry, science and technology department. We are closing down the Science Council. Presumably there must be some sort of affiliation. The industry, science and technology department entered into 22 contracts worth $3.3 million for such things as advertising and organizing public meetings.

Guess how many of them were correct. Guess how many of them were approved by Treasury Board. Zero. Guess how many contravene Treasury Board regulations. Twenty-two out of twenty-two. Guess how many of those contracts were untendered and went to friends of the government. Twenty-two out of twenty-two.

Let us look at the health and welfare department and its income security programs. This is a cute one.

An hon. member: Oh, oh.

Mr. Boudria: I hear the member across the way asking questions. I tell him to be patient. We will enlighten the member. We can even ask him questions later.

The Auditor General is not a member of the opposition, but an independent officer of the House and one appointed by the present Prime Minister, I might add. He said: "The department failed to properly administer contracts valued at $5 million during the planning phase of the Income Security Program redesign project". Let me give you just a bit more information on this, Mr. Speaker, because I know that I have now aroused your curiosity. "While they spent on these contracts, some $350,000 were given in untendered contracts." Do you know how they did it to give untendered contracts? They broke them down in $10,000 slices and gave a whole bunch of contracts to the same people to contravene the Treasury Board rules. This is what we are told.

• (2050)

I have just enumerated two examples. I could go on and on and tell you about hundreds of millions in government waste. I have just read a few lines in this very thick document.

I say to the members across, if it is $22 million they want to save, why not do some reasonable things like reducing the size of cabinet and having some integrity in contracting procedures? Why is it that this government has no money for these councils, no money to improve the lot of Canadians but it has enough money to renew the lease on a building which the Auditor General says the government does not even need? Why? Why? Those are the questions those members who are heckling right now will have to answer.

They will have to answer to the people of Canada soon. We are into the fifth year of this government's four-year mandate. I hope that they answer very soon.

Mr. Jim Fulton (Skeena): Mr. Speaker, I appreciate the opportunity to give some wind-up remarks on Bill C-63. We saw the government House leader come zinging in here, saying that there were a couple of people in the cabinet who had an education. That is great. I am glad there are. However, one thing the government House leader did not talk about is why the Minister of Employment and Immigration did not have anything to say in this debate to those people who had something to do over the past few years with the Canada Employment and Immigration Advisory Council. If it is such a good idea to get rid of it, you would think the minister would want to stand up for it.

Why did the Minister of Justice not come and say something about the demolition of the Law Reform Commission that served this country and this House well for 20 years? What about the Canadian Institute for International Peace and Security, CIIPS as it is known? Where was the Secretary of State for External Affairs? Why did she not having something to say about why this was such a good idea and that the replacement body was where people could find knowledgeable, internationally

respected researchers they could communicate with and give their ideas to?

What about the International Centre for Ocean Development? Why did the Minister of Fisheries and Oceans not come and have something to say? Perhaps he could have made some remarks as to the issue that was raised with him so directly in Rio at UNCED on why Canada has not ratified the Law of the Sea, something that is important to countries around this world. We are within a couple of countries of having the necessary numbers for full ratification and yet Canada is still hiding in the weeds.

The Science Council of Canada. What about the minister of science and technology? One would have thought that if the demolition of the Science Council of Canada was so good that surely the minister of science would want to put on the record what these great ideas are for getting rid of it and where scientists are to place their opinions so they can be heard and parliamentarians can find out the independent, collective wisdom of the scientific community.

We do not have that. Here we have the methodology of the book burners. We have the lip-zippers. You do not want anybody talking because they might be talking against your government and you cannot have that.

Of course what it really comes down to is what I describe as the implementation of the flat earth theory from the government benches. It is that these small independent bodies had some influence. They had some power. If we learned anything from the referendum, surely we learned that the collective initiatives of elected members do not have a great deal of influence on certain very important issues in this country. What we should have learned from that is the desire for more local control, more local input, and for these kinds of arm's length institutions where people have some serious feelings that they are going to be heard.

I know lots of peace activists who think the last persons in this country they would ever bother to write to any more, bother to try to call or try to get a meeting with, are the present Minister of National Defence and the present Secretary of State for External Affairs. They know that is a dead end. They do not want to come and play around the skirts or the edges of Parliament. The places they were going, because they knew they were being heard and they knew they were avenues to the international community were places like the Peace Institute and CIIPS. People knew there was good quality research, good quality information. It was a place where they could be heard and it was a place where they knew at least parts of their message would be carried to parliamentarians.

That had to be muzzled. It had to be shut down. I see the bloody fingerprints of political handlers all over this. This was not decided by the Minister of Finance alone. We know something, for example the proposal to put the new immigration operations in Vegreville, Alberta. The government is saying that it is putting it there because it will be better; it is the high-tech age and we have to centralize and to do it all there.

We know enough about computers now. Those 200 people who would be placed in Vegreville could be anywhere. They could be in Iqaluit, Yellowknife, White Horse, Prince Rupert or Toronto. They do not need to be all in the same building, in the same place. Those same political handlers are putting it in Vegreville for crass political reasons. It is the Deputy Prime Minister's seat.

You are nodding Mr. Speaker; you know that. You are a member from Alberta. You know how these things work. You are responding to those vibes from Presto. Presto is saying: "Watch out, Maz" so we have to respond this way or that way; there are too many institutions.

The horrific part of the termination of these particular institutions is the cold, hard, political eye of the handlers. They got their fingers on the jugular of these institutions. The Economic Council of Canada had bad things to say about the government's interest rate policy, its policy on the dollar and what it was doing on research and development. So out comes the hands of the political handlers to strangle it down. They say: "If all you other independent institutions want government funding—see what we did to this one—say nice things about us or you are next".

CIIPS says something about something the minister of external affairs does not like and out comes the hand of the handlers. It strangles it down. There is the end of another independent voice. The Science Council of Canada with Nobel laureates gives advice to the Prime Minister and to the country. They say: "There is not enough research and development going on. Canada is

going to start to fall behind". Out comes the arm of the Tory political handlers and strangles it down.

At some point this whole institution, members who can still think, has to say: "What kind of messages are we sending out of here?" This is dictatorial. My colleague is going to enlighten the House on something he knows a great deal about in terms of the entirely undemocratic nature of what is being done here.

These were acts of Parliament. There were votes by every member of this place to initiate them. Their throats were slit. The government treated them like some kind of economic aneurysms. They say: "Give them all a lobotomy. Get rid of these people". Who are these people?

They are not average, run of the mill Canadians, the people who donate their time. I know some of the lawyers who have worked on the Law Reform Commission. They stepped down from the big bucks to donate some of their time, sometimes a few months, sometimes a few years at a time, to move a legal ball forward, back into our court, because they know we kick it out because it is politically sensitive.

It is the same with the Science Council of Canada. Most of these scientists donate their time. I spoke earlier this evening about the 1,600 scientists who two days ago gave an alert to the world. Was is ever debated in this House, that the potential for life on this earth is threatened by something that we are doing? Are we doing anything about it? I think it is one of the problems with this place. There is not a collective, intelligent voice coming out of here any more. I think there was when I came here but we have been battered back, badgered.

• (2100)

We talk about parliamentary reform but every single power that an individual member had when I came here in 1979 has been stripped away. Even private members' bills, what are your chances of ever getting one of serious value voted? You have to win a lottery, then you have to convince a bunch of government members, then if they get a phone call from the government House leader they will not be able to do it. It is preposterous.

The fingerprints of the demands for power are all over this place. It has been corrupted. I think that these are the symptoms of serious corruption and an election could not come soon enough for me. It really could not.

I hear my friends to my right—and frankly I quite often think the Liberals are to the far right of the Tories on many issues, on the FTA and NAFTA. They do not have the moxie to stand up in this House and be honest. They do not believe what the hon. member for Vancouver Quadra said, that they would tear up the FTA. They voted here on May 11 against abrogating. They voted with the Conservatives. It is the same with the North America free trade agreement. In the committee they voted against going to members' constituencies. They voted against going to most of the provinces and the territories of this country.

They do not want the Liberals to be exposed to the reality of their position on NAFTA, that they support NAFTA, they support the free trade agreement. They do not have any plans to change it.

And they have the pomposity to stand up here in the coachman's uniform of the previous speaker and rattle and prattle on about Bob Rae. Bob Rae is a very fine politician. People in this House should have the decency on all sides to say good things about people when they are good. I did that in my constituency and throughout the referendum about the member for Yellowhead. I am proud that I did and I would say it in here any time about someone of that cut of cloth.

I will not say it about the Prime Minister because the Prime Minister did not play fair during the referendum. He knew what he was doing. He knew what he was crafting, and asking in Quebec. That is why the polls are being hidden. We wonder why $3 million in polls are being hidden after the court rules they have to be released. Taxpayers' money was used for partisan political purposes.

It is the same kind of crap in here and it galls me to the bottom of my soul that not a single minister had the guts to come in here and tell the people of Canada why they slit the throats of these independent institutions.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, to steer us back into the section we proposed, this particular amendment would postpone the implementation and proclamation of this statute for a period that I hope would be a very long time.

What we have behind this bill is an initiative to streamline and privatize and reduce some of the spending. While the expressed motives may be laudatory it is my perception in this case this is not a question of government as in an ordinary privatization of government getting out of business. In this case it is a question of government getting out of government. There is a whole lot of government that has to be done and which, in my view, is not being done. I think Canadians feel that way now.

By cutting these agencies the government says it is going to save some money. The last estimate we heard here on the floor was $22 million. Although the government is cutting these agencies, as my friend from Essex—Windsor said earlier, it has created another six agencies this past year covering the same territory.

I can only note cynically that the creation of these new agencies, or new initiatives, doing things in the same areas happens in the year running up to an election. It is very odd. I resist the urge to be more expressively cynical than that, but the point I am trying to make is that really the government is not saving money here. It says it is, but it is not. It is a very small example, big numbers though.

Just a very few years ago the Law Reform Commission undertook on its own a comprehensive study of the law and reproductive technologies. The cost of that exercise and the report which many MPs have in their offices was $250,000.

Right now a Royal Commission on New Reproductive Technologies is going on and the estimated cost for that—hold on to your hat—is $30 million. On one hand, we have a reproductive technology study costing $30 million and on the other is $250,000. Make the calculation and figure out which was better for the taxpayers.

The Law Reform Commission was better by far. The expertise, all of the information and data was right there in the Law Reform Commission, and it would still be there had the Law Reform Commission stayed.

This government has acted with regard to these agencies without a law to back them up, as I pointed out earlier. I could say that the government was lawless, acting without the benefit of the statute. In any event, it has proceeded and I regret that very much.

The adoption of this amendment would serve Canadians well.

Mr. Blenkarn: Oh, no.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, I have just received the ultimate compliment. The member for Mississauga South said: "Oh, no" when I got up to speak.

I just wanted to make a few comments on this bill. A great deal has already been said that I concur in, particularly by the hon. member for Skeena. However, the one thing that struck me is something that when I first came to this Chamber I would have heard Tories saying, but we do not hear them saying it anymore.

This particular bill has two things in it that augur against the spirit of true parliamentary debate. One, of these various councils, institutes, et cetera that are being shut down, many have been shut down before this bill was even considered by Parliament and passed by Parliament.

I can remember the so-called old days when people would have railed against this usurpation of the power of Parliament. Would it not have been more parliamentary for these institutes and councils to have maintained their existence until such time as there was a real debate in Parliament, and maybe even a debate in Parliament during which members would have been freed to have voted their own particular judgment on this issue because the Science Council of Canada is not a matter of confidence.

We hear a lot of talk about free votes and that sort of thing. Most of these institutions were established by separate acts of Parliament and they should have been disbanded, if they were to be disbanded, by separate acts of Parliament so that we were not greeted as we were tonight with something else that the Tories made a big fuss about many times when they were in opposition, which is basically an omnibus bill.

One time when they were faced with an omnibus energy bill they rang the bells in this place for 16 days and precipitated a parliamentary crisis.

Our fundamental objection to this bill is not that it is an omnibus bill. We object to the whole bill. It is not as if there are some parts of it that we want to vote for. It is no wonder people are cynical because the fact is that we see the Conservative Party in government doing time and time again the very things that it made a political and parliamentary career out of criticizing when it was the opposition.

It was good at it. I have to confess I believed the Conservatives. There was a time when I thought they might actually be different in some respects. There was a time when they were different in some respects—very few, very little, not much, but in some respects they were. For instance, there was a time for a while when ministers took the House more seriously. They came in here and made policy statements.

The member for Yellowhead was pretty good at that, and the member for Skeena has already spoken well of him. There were a few others like that, but what have we seen in the last few days? The Prime Minister makes a major economic speech to whom? He made it to the PC Canada fund at $500 a plate.

Here we are. That same day we asked the Prime Minister as representatives of the people, as people who have been elected by the people: "What are you going to do about the economy?" We did not get any answers at all. We were not even told to wait for the evening. We were not even told that anything was going to be said. We had to read about it in the newspaper the next day.

We read about what the $500 a plate people got to know about the Prime Minister's plans that members of Parliament were not told. Just today the Minister of National Revenue outlined a new plan for streamlining Revenue Canada and the collection of taxation in Canada. Did he make it in the House of Commons? Oh, kid me not. Why would you want to do that? Who cares about the House of Commons any more on that side of the House?

• (2110)

He makes a major statement to the Canadian Tax Foundation, and the examples go on and on and on of the systematic contempt in which this government has come to hold Parliament.

There are people on that side of the House who should know better. Some of them are in the Chamber tonight. Some of them would have complained about this had the Liberals done it and yet we hear nothing. If we hear anything at all, we might hear some kind of sophistic defence of this particular kind of activity on the part of the government.

We have come a long way from those heady days of 1984 and 1985 when there was some reasonable expectation that the great parliamentary reformers would actually act in such a way, through the McGrath committee and so on, as to bring Parliament out of the disrepute into which people thought it had fallen then. I look back on 1984 now as a golden age of Parliament when I compare it to what it is now after eight years of Tory rule. It is after eight years of rule basically not by Parliament, not even by the Cabinet, but by the Prime Minister's Office and by the praetorian guard that gathers now around leaders wherever they are. In some sense this is a function of modern political leadership regardless of party. Here, though, we have its finest example, whereby members of Parliament, the elected representatives of the people, just keep getting more and more marginalized.

It is no wonder that people are mad at politicians. Their anger, however, is in some sense misdirected because they are angry at the powerlessness of their politicians, of their members of Parliament and of their MLAs. The roles that we collectively used to have, have been eroded by Prime Ministers' offices, by nameless anonymous staff, everywhere you turn. They are making the real decisions in political parties, in the bureaucracy and in the ministries wherever you go. It is eroded by pollsters, eroded by the courts, eroded by federal-provincial conferences and by executive federalism. You name it. There is hardly anything left for members of Parliament to do except to engage in various forms of surrogate political activity.

We fill our days with busyness as a substitute for power. It was not that members of Parliament ever had a lot of power, but they had some and they could make some things happen because this used to be a more human place where making a case to a minister or to some key person might have made a difference on behalf of a constituent or on behalf of an issue.

Look at tonight as we debate the demise of the Canadian Institute for Peace and Security. I was here when that was formed and it was formed out of the concerted effort of a number of members of Parliament on all sides of the House.

I think tonight of the former member from New Westminster—Burnaby, Pauline Jewett, who was very instrumental in setting up CIIPS. If she were here tonight, the rage that I have expressed and that the member for Skeena has expressed would pale by comparison. That is because there was a recognition at that time that we needed something like the Canadian Institute for International Peace and Security to provide independent and objective reflection on a variety of issues.

The end of the cold war does not bring an end to the need for that kind of reflection. In fact, the post-cold war era in many respects might make the cold war look like a picnic if we don't get a handle on the rise of neo-Nazism in Germany and the proliferation of nuclear weapons sold in every corner of the earth by desperate Russians, Kazakhstanis and Uzbekistanis and so on.

We have big problems and the last thing we need is to shut down a think-tank that was trying to give some systematic reflection to these kinds of things. We would not want that, though. Just let the bean counters rule the world. Well, their day will soon be up.

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

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Mr. Paproski): All those opposed 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), a recorded division on the motion stands deferred.

Normally at this time the House would proceed to the taking of the deferred divisions at the report stage of the bill now before the House. However, pursuant to an order made earlier this day the recorded divisions will stand deferred until Thursday, November 26, 1992 at 10 a.m.

It being 9.15 o'clock p.m., this House stands adjourned until tomorrow at 10 o'clock a.m. pursuant to Standing Order 24(1).

The House adjourned at 9.15 p.m.

HOUSE OF COMMONS

Thursday, November 26, 1992

The House met at 10 a.m.

Prayers

[*English*]

POINT OF ORDER

BILL C-91

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I rise this morning with some reluctance. I do not believe that the behaviour of a legislative committee chair has been brought to the attention of the House before.

I want to say that the hon. member for Ontario, who is the chair of the legislative committee for Bill C-91 looking into the Patent Act is, of course, the Speaker's delegate appointed by the Speaker, was not elected, and reports through the Speaker to the House.

This chair is charged with maintaining the same role in committee as the Speaker is in the House. He must remain impartial. This is important. He must sustain the will of the majority while safeguarding the rights of the minority.

Very briefly I want to refer to Beauchesne's *Parliamentary Rules and Forms*, sixth edition, section 168, where it says:

> Confidence in the impartiality of the Speaker is an indispensable condition of the successful working of procedure, and many conventions exist which have as their object, not only to ensure the impartiality of the Speaker but also to ensure that there is a general recognition of the Speaker's impartiality.

It is with a heavy heart that I have to report to the House that last night, and also this morning, the chair of the legislative committee spoke in a very partisan way to the media about the proceedings of the legislative committee regarding Bill C-91.

The fact that he spoke to the media is perhaps open to some question but that he made a number of comments—I will not read them out to the House this morning—that were very partisan, very critical of certain members and very critical of the opposition's role in the proceedings, is not carrying on the tradition that we have come to know and respect in this House through you, Mr. Speaker.

I ask if you would review this situation. It is most unacceptable. Because of the now common use of time allocation and closure, much of the important debate on bills goes on in the various legislative committees since it does not occur in the House.

Therefore to maintain the impartiality of the chair, as you do in this House, Mr. Speaker, is perhaps even more critical than ever considering the need for open debate and the chair ensuring not only the will of the majority but the fact that the role of the opposition is recognized.

I wonder about the appropriateness of the member for Ontario continuing on in that role because of this breach of impartiality.

• (1010)

I would ask that in order to enable that committee to proceed as a legislative committee ought to proceed, you look into this matter at your earliest convenience.

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I acknowledge that my friend from Kamloops said this was a very unusual thing to be doing. He is seeking to do in the House what ought to remain within the committee.

I do not think it is appropriate to comment on the substance of what he is alleging. What is before us is whether it is appropriate for you to deal with the conduct of a legislative committee. As the House is well aware the committee has been striving to deal with this legislation for a number of days now and is encountering what I can only describe as filibustering from the other side.

To come to the heart of the matter, the problem is not time allocation. The problem is the committee dealing with the issue of the bill before it. On the matter that my hon. friend has raised I would just draw his attention to Beauchesne's sixth edition, citation 760(3):

Point of Order

The Speaker has ruled on many occasions that it is not competent for the Speaker to exercise procedural control over the committees. Committees are and must remain masters of their own procedure.

The matter begins and ends there.

Mr. Speaker: I may not need very much more advice on this matter, but I will hear from the hon. member for Cape Breton—East Richmond.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, let me confirm what my colleague from the New Democratic Party has said concerning the behaviour of this particular committee chairperson.

The parliamentary secretary opposite has made a timely intervention but the only appeal that we have is to you, Mr. Speaker, who presides over this Chamber. As indicated previously, this particular chairperson is a delegate of yourself.

I hope you will reflect on the comments which have been made with regard to this particular chairperson. The activities that are taking place in the committee are highly unusual in view of the large number of witnesses which have been requested.

I do not want to get into a substantive debate on that particular point, but I think the Chair should make a careful examination as to exactly what is taking place in this particular instance.

Mr. Speaker: The hon. member for Kamloops has raised a matter rising out of a legislative committee and he has cited to the House some appropriate procedural law with respect to the role of the Speaker. He has reminded the House that particularly the chairman, who is the subject of this intervention is, of course, appointed by the Chair.

However the hon. member for Kamloops has restrained himself, and I think properly so, from getting into substantial debate here on the floor of the House as to what was said. The hon. member for Cape Breton—East Richmond has also constrained himself and I appreciate that. I thank him for not getting into the substance of the debate.

The hon. parliamentary secretary has pointed out that generally speaking the Chair does not interfere with the affairs of a committee. I understand because I have been apprised of this and I thank the hon. member for Kamloops for saying that the matter has been at least partially raised in committee this morning.

The proper course is for the committee to deal with it further if the committee so wishes. I would hope that the matter would be satisfactorily resolved there. At least for now that is where I am going to leave it.

Mr. Jim Hawkes (Calgary West): Mr. Speaker, it is normal practice in the Chamber that when a member's behaviour is brought up on the floor of the House, that member be notified and generally would be present. I think the record should show that the member in question is not present and has not had an opportunity to make comment, if that member feels aggrieved in some way.

Mr. Speaker: That certainly is the usual custom and I thank the hon. member for reminding the House of it. However, in view of what has been said and in view of my response, that is where the matter should be left at the moment.

Mr. Riis: Mr. Speaker, I do not want to pursue this matter but I want to seek clarification.

Since the matter was raised earlier today in the committee at the appropriate place, and the chair of the committee simply ruled out any further discussion, I take, not from your ruling but from your suggestion, that this ought to be pursued in the committee as opposed to the floor of the House of Commons. If we still have a grievance with the Chair that is the place where it should be raised. Is that correct?

Mr. Speaker: The hon. member for Kamloops is correct. I have been apprised of how far it has gone in the committee. It is up to the committee and up to members to decide whether they wish to take it any further in the committee. For now that is where it should be left.

Again I am very conscious of what the hon. member for Calgary West has said. Ordinarily, if we were going to get into the substance of the complaint, I would not have proceeded without the chairman being here. Under the circumstances that is where we ought to leave it for now.

GOVERNMENT ORDERS

[*Translation*]

ACT TO DISSOLVE OR TERMINATE CERTAIN CORPORATIONS AND OTHER BODIES

MEASURE TO ENACT

The House resumed from Wednesday November 25, consideration of Bill C-63, an act to dissolve or terminate certain corporations and other bodies, as reported (without amendment) from a legislative committee.

Madam Deputy Speaker: Pursuant to order made Wednesday, November 25, the House will now proceed to the taking of the deferred divisions on the motions at report stage of Bill C-63, an act to dissolve or terminate certain corporations and other bodies.

Call in the members.

Before the taking of the vote:

• (1040)

Madam Deputy Speaker: The first question is on Motion No. 2. The vote on this motion will apply to Motions Nos. 4, 6, 9, 11, 13, 15, 17 and 19.

The House divided on Motion No. 2, which was negatived on the following division:

(*Division No. 338*)

YEAS

Members

Althouse	Angus
Arseneault	Axworthy (Saskatoon—Clark's Crossing)
Axworthy (Winnipeg South Centre)	Bellemare
Bevilacqua	Blackburn (Brant)
Blaikie	Bouchard (Lac-Saint-Jean)
Boudria	Brewin
Caccia	Clancy
de Jong	Dingwall
Duceppe	Duhamel
Edmonston	Finestone
Foster	Fulton
Funk	Gaffney
Gagliano	Gardiner
Gauthier	Gérin
Harb	Harvard
Karpoff	Keyes
Kristiansen	Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)	LeBlanc (Cape Breton Highlands—Canso)
Lee	MacAulay
MacLaren	MacLellan
MacWilliam	Manley
Marchi	Marleau
McCurdy	Mifflin
Milliken	Mills
Murphy	Nowlan
Nystrom	Parent
Peterson	Pickard
Rideout	Riis
Rocheleau	Rompkey
Skelly (Comox—Alberni)	Stewart
Stupich	Tremblay (Rosemont)
Volpe	Wappel
Whittaker	Young (Acadie—Bathurst)—66

NAYS

Members

Anderson	Andre
Atkinson	Beatty
Bertrand	Bjornson
Blackburn (Jonquière)	Blais
Blenkarn	Bosley
Bouchard (Roberval)	Brightwell
Browes	Cadieux
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Cole	Collins
Cook	Cooper
Corbeil	Côté
Couture	Danis
Darling	Della Noce
Desjardins	Dick
Dobbie	Domm
Dorin	Edwards
Epp	Fee
Feltham	Ferland
Fretz	Friesen
Gibeau	Gray (Bonaventure—Îles-de- la-Madeleine)
Greene	Guilbault
Gustafson	Halliday
Hawkes	Hicks
Hockin	Hogue
Holtmann	Horner
Jacques	James
Jelinek	Johnson
Joncas	Jourdenais
Kempling	Koury
Landry	Langlois
Larrivée	Layton
Lewis	Loiselle
Lopez	MacDougall (Timiskaming)
MacKay	Martin (Lincoln)
Mayer	Mazankowski
McDermid	McDougall (St. Paul's)
Merrithew	Mitges
Monteith	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Saint-Julien	Schneider
Shields	Siddon
Sobeski	Soetens
Sparrow	Stevenson
Tardif	Tétreault
Thacker	Thompson
Thorkelson	Tremblay (Québec-Est)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vézina
Vien	Vincent
Weiner	White
Wilbee	Winegard—110

PAIRED MEMBERS

nil/aucun

Madam Deputy Speaker: I declare Motion No. 2 lost. Therefore Motions Nos. 4, 6, 9, 11, 13, 15, 17 and 19 are declared lost as well.

Mr. Gagliano: Madam Speaker, I think you will find unanimous consent for applying the vote just held to Motions Nos. 7, 21, 27, 44, 49, 57, 58, 68, 74, 91 and 92.

Madam Deputy Speaker: Is there unanimous consent for the hon. member's suggestion?

Some hon. members: Agreed.

Madam Deputy Speaker: Consequently Motions Nos. 23, 25, 28, 30, 32, 34, 36, 38, 40, 42, 46, 48, 51, 53, 55, 60, 62, 64, 66, 72, 75, 77, 79, 81, 83, 85, 87 and 89 are lost as well.

Mrs. Venne: Madam Speaker, I was unable to vote during the previous vote, and I simply want to say that on the other votes I intend to vote the same way as the Bloc Quebecois.

Madam Deputy Speaker: The hon. member's vote will be added to the list.

The next question is on Motion No. 7.

The House divided on Motion No. 7, which was negatived on the following division:

(Division No. 339)

YEAS

Members

Althouse
Arseneault
Axworthy (Winnipeg South Centre)
Bevilacqua
Blaikie
Boudria
Caccia
de Jong
Duceppe
Edmonston
Foster
Funk
Gagliano
Gauthier
Harb
Karpoff
Kristiansen
Langdon (Essex—Windsor)
Lee
MacLaren
MacWilliam
Marchi
McCurdy
Milliken
Murphy
Nystrom
Peterson
Rideout
Rocheleau
Skelly (Comox—Alberni)
Stupich
Venne
Wappel
Young (Acadie—Bathurst)—67

Angus
Axworthy (Saskatoon—Clark's Crossing)
Bellemare
Blackburn (Brant)
Bouchard (Lac-Saint-Jean)
Brewin
Clancy
Dingwall
Duhamel
Finestone
Fulton
Gaffney
Gardiner
Gérin
Harvard
Keyes
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLellan
Manley
Marleau
Mifflin
Mills
Nowlan
Parent
Pickard
Riis
Rompkey
Stewart
Tremblay (Rosemont)
Volpe
Whittaker

NAYS

Members

Anderson
Atkinson
Bertrand
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Browes
Campbell (Vancouver Centre)
Chadwick
Cole
Cook
Corbeil
Couture
Darling
Desjardins
Dobbie
Dorin
Epp
Feltham
Fretz
Gibeau
Greene
Gustafson
Hawkes
Hockin
Holtmann
Jacques
Jelinek
Joncas
Kempling
Landry
Larrivée
Lewis
Lopez
MacKay
Mayer
McDermid
Merrithew
Monteith
Nicholson
O'Kurley
Reid
Ricard
Saint-Julien
Shields
Sobeski
Sparrow
Tardif
Thacker
Thorkelson
Turner (Halton—Peel)
Van De Walle
Vien
Weiner
Wilbee

Andre
Beatty
Bjornson
Blais
Bosley
Brightwell
Cadieux
Cardiff
Champagne (Champlain)
Collins
Cooper
Côté
Danis
Della Noce
Dick
Domm
Edwards
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de- la-Madeleine)
Guilbault
Halliday
Hicks
Hogue
Horner
James
Johnson
Jourdenais
Koury
Langlois
Layton
Loiselle
MacDougall (Timiskaming)
Martin (Lincoln)
Mazankowski
McDougall (St. Paul's)
Mitges
Moore
Oberle
Paproski
Reimer
Richardson
Schneider
Siddon
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Québec-Est)
Valcourt
Vézina
Vincent
White
Winegard—110

PAIRED MEMBERS

nil/aucun

Madam Deputy Speaker: I declare Motion No. 7 lost.

The next question is on Motion No. 21.

The House divided on Motion No. 21, which was negatived on the following division:

(Division No. 340)

YEAS

Members

Althouse
Arseneault
Axworthy (Winnipeg South Centre)
Bevilacqua
Blaikie
Boudria
Caccia
de Jong
Duceppe
Edmonston
Foster
Funk
Gagliano
Gauthier
Harb
Karpoff
Kristiansen
Langdon (Essex—Windsor)
Lee
MacLaren
MacWilliam
Marchi
McCurdy
Milliken
Murphy
Nystrom
Peterson
Rideout
Rocheleau
Skelly (Comox—Alberni)
Stupich
Venne
Wappel
Young (Acadie—Bathurst)—67

Angus
Axworthy (Saskatoon—Clark's Crossing)
Bellemare
Blackburn (Brant)
Bouchard (Lac-Saint-Jean)
Brewin
Clancy
Dingwall
Duhamel
Finestone
Fulton
Gaffney
Gardiner
Gérin
Harvard
Keyes
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLellan
Manley
Marleau
Mifflin
Mills
Nowlan
Parent
Pickard
Riis
Rompkey
Stewart
Tremblay (Rosemont)
Volpe
Whittaker

NAYS

Members

Anderson
Atkinson
Bertrand
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Browes
Campbell (Vancouver Centre)
Chadwick
Cole
Cook
Corbeil
Couture
Darling
Desjardins
Dobbie
Dorin
Epp
Feltham
Fretz
Gibeau
Greene
Gustafson
Hawkes
Hockin
Holtmann
Jacques
Jelinek
Joncas
Kempling
Landry
Larrivée
Lewis

Andre
Beatty
Bjornson
Blais
Bosley
Brightwell
Cadieux
Cardiff
Champagne (Champlain)
Collins
Cooper
Côté
Danis
Della Noce
Dick
Domm
Edwards
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de- la-Madeleine)
Guilbault
Halliday
Hicks
Hogue
Horner
James
Johnson
Jourdenais
Koury
Langlois
Layton
Loiselle

Lopez
MacKay
Mayer
McDermid
Merrithew
Monteith
Nicholson
O'Kurley
Reid
Ricard
Saint-Julien
Shields
Sobeski
Sparrow
Tardif
Thacker
Thorkelson
Turner (Halton—Peel)
Van De Walle
Vien
Weiner
Wilbee

MacDougall (Timiskaming)
Martin (Lincoln)
Mazankowski
McDougall (St. Paul's)
Mitges
Moore
Oberle
Paproski
Reimer
Richardson
Schneider
Siddon
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Québec-Est)
Valcourt
Vézina
Vincent
White
Winegard—110

PAIRED MEMBERS

nil/aucun

Madam Deputy Speaker: I declare Motion No. 21 lost. Consequently Motions Nos. 23, 25, 28, 30, 32, 34, 36, 38, 40 and 42 are declared lost as well.

The next question is on Motion No. 27.

The House divided on Motion No. 27, which was negatived on the following division:

(Division No. 341)

YEAS

Members

Althouse
Arseneault
Axworthy (Winnipeg South Centre)
Bevilacqua
Blaikie
Boudria
Caccia
de Jong
Duceppe
Edmonston
Foster
Funk
Gagliano
Gauthier
Harb
Karpoff
Kristiansen
Langdon (Essex—Windsor)
Lee
MacLaren
MacWilliam
Marchi
McCurdy
Milliken
Murphy
Nystrom
Peterson
Rideout
Rocheleau
Skelly (Comox—Alberni)
Stupich
Venne
Wappel
Young (Acadie—Bathurst)—67

Angus
Axworthy (Saskatoon—Clark's Crossing)
Bellemare
Blackburn (Brant)
Bouchard (Lac-Saint-Jean)
Brewin
Clancy
Dingwall
Duhamel
Finestone
Fulton
Gaffney
Gardiner
Gérin
Harvard
Keyes
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLellan
Manley
Marleau
Mifflin
Mills
Nowlan
Parent
Pickard
Riis
Rompkey
Stewart
Tremblay (Rosemont)
Volpe
Whittaker

NAYS

Members

Anderson
Atkinson
Bertrand
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Browes
Campbell (Vancouver Centre)
Chadwick
Cole
Cook
Corbeil
Couture
Darling
Desjardins
Dobbie
Dorin
Epp
Feltham
Fretz
Gibeau
Greene
Gustafson
Hawkes
Hockin
Holtmann
Jacques
Jelinek
Joncas
Kempling
Landry
Larrivée
Lewis
Lopez
MacKay
Mayer
McDermid
Merrithew
Monteith
Nicholson
O'Kurley
Reid
Ricard
Saint-Julien
Shields
Sobeski
Sparrow
Tardif
Thacker
Thorkelson
Turner (Halton—Peel)
Van De Walle
Vien
Weiner
Wilbee
Andre
Beatty
Bjornson
Blais
Bosley
Brightwell
Cadieux
Cardiff
Champagne (Champlain)
Collins
Cooper
Côté
Danis
Della Noce
Dick
Domm
Edwards
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de- la-Madeleine)
Guilbault
Halliday
Hicks
Hogue
Horner
James
Johnson
Jourdenais
Koury
Langlois
Layton
Loiselle
MacDougall (Timiskaming)
Martin (Lincoln)
Mazankowski
McDougall (St. Paul's)
Mitges
Moore
Oberle
Paproski
Reimer
Richardson
Schneider
Siddon
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Québec-Est)
Valcourt
Vézina
Vincent
White
Winegard—110

PAIRED MEMBERS

nil/aucun

Madam Deputy Speaker: I declare Motion No. 27 lost.

The next question is on Motion No. 44.

The House divided on Motion No. 44, which was negatived on the following division:

(*Division No. 342*)

YEAS

Members

Althouse
Arseneault
Axworthy (Winnipeg South Centre)
Bevilacqua
Blaikie
Boudria
Caccia
de Jong
Duceppe
Edmonston
Foster
Funk
Gagliano
Gauthier
Harb
Karpoff
Kristiansen
Langdon (Essex—Windsor)
Lee
MacLaren
MacWilliam
Marchi
McCurdy
Milliken
Murphy
Nystrom
Peterson
Rideout
Rocheleau
Skelly (Comox—Alberni)
Stupich
Venne
Wappel
Young (Acadie—Bathurst)—67
Angus
Axworthy (Saskatoon—Clark's Crossing)
Bellemare
Blackburn (Brant)
Bouchard (Lac-Saint-Jean)
Brewin
Clancy
Dingwall
Duhamel
Finestone
Fulton
Gaffney
Gardiner
Gérin
Harvard
Keyes
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLellan
Manley
Marleau
Mifflin
Mills
Nowlan
Parent
Pickard
Riis
Rompkey
Stewart
Tremblay (Rosemont)
Volpe
Whittaker

NAYS

Members

Anderson
Atkinson
Bertrand
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Browes
Campbell (Vancouver Centre)
Chadwick
Cole
Cook
Corbeil
Couture
Darling
Desjardins
Dobbie
Dorin
Epp
Feltham
Fretz
Gibeau
Greene
Gustafson
Hawkes
Hockin
Holtmann
Jacques
Jelinek
Joncas
Kempling
Landry
Larrivée
Lewis
Andre
Beatty
Bjornson
Blais
Bosley
Brightwell
Cadieux
Cardiff
Champagne (Champlain)
Collins
Cooper
Côté
Danis
Della Noce
Dick
Domm
Edwards
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de- la-Madeleine)
Guilbault
Halliday
Hicks
Hogue
Horner
James
Johnson
Jourdenais
Koury
Langlois
Layton
Loiselle

Lopez
MacKay
Mayer
McDermid
Merrithew
Monteith
Nicholson
O'Kurley
Reid
Ricard
Saint-Julien
Shields
Sobeski
Sparrow
Tardif
Thacker
Thorkelson
Turner (Halton—Peel)
Van De Walle
Vien
Weiner
Wilbee
MacDougall (Timiskaming)
Martin (Lincoln)
Mazankowski
McDougall (St. Paul's)
Mitges
Moore
Oberle
Paproski
Reimer
Richardson
Schneider
Siddon
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Québec-Est)
Valcourt
Vézina
Vincent
White
Winegard—110

PAIRED MEMBERS

nil/aucun

Madam Deputy Speaker: I declare Motion No. 44 lost. Consequently Motions Nos. 46, 48, 51, 53 and 55 are declared lost as well.

The next question is on Motion No. 49.

The House divided on Motion No. 49, which was negatived on the following division:

(Division No. 343)

YEAS

Members

Althouse
Arseneault
Axworthy (Winnipeg South Centre)
Bevilacqua
Blaikie
Boudria
Caccia
de Jong
Duceppe
Edmonston
Foster
Funk
Gagliano
Gauthier
Harb
Karpoff
Kristiansen
Langdon (Essex—Windsor)
Lee
MacLaren
MacWilliam
Marchi
McCurdy
Milliken
Murphy
Nystrom
Peterson
Rideout
Rocheleau
Skelly (Comox—Alberni)
Stupich
Venne
Wappel
Young (Acadie—Bathurst)—67
Angus
Axworthy (Saskatoon—Clark's Crossing)
Bellemare
Blackburn (Brant)
Bouchard (Lac-Saint-Jean)
Brewin
Clancy
Dingwall
Duhamel
Finestone
Fulton
Gaffney
Gardiner
Gérin
Harvard
Keyes
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLellan
Manley
Marleau
Mifflin
Mills
Nowlan
Parent
Pickard
Riis
Rompkey
Stewart
Tremblay (Rosemont)
Volpe
Whittaker

NAYS

Members

Anderson
Atkinson
Bertrand
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Browes
Campbell (Vancouver Centre)
Chadwick
Cole
Cook
Corbeil
Couture
Darling
Desjardins
Dobbie
Dorin
Epp
Feltham
Fretz
Gibeau
Greene
Gustafson
Hawkes
Hockin
Holtmann
Jacques
Jelinek
Joncas
Kempling
Landry
Larrivée
Lewis
Lopez
MacKay
Mayer
McDermid
Merrithew
Monteith
Nicholson
O'Kurley
Reid
Ricard
Saint-Julien
Shields
Sobeski
Sparrow
Tardif
Thacker
Thorkelson
Turner (Halton—Peel)
Van De Walle
Vien
Weiner
Wilbee
Andre
Beatty
Bjornson
Blais
Bosley
Brightwell
Cadieux
Cardiff
Champagne (Champlain)
Collins
Cooper
Côté
Danis
Della Noce
Dick
Domm
Edwards
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de- la-Madeleine)
Guilbault
Halliday
Hicks
Hogue
Horner
James
Johnson
Jourdenais
Koury
Langlois
Layton
Loiselle
MacDougall (Timiskaming)
Martin (Lincoln)
Mazankowski
McDougall (St. Paul's)
Mitges
Moore
Oberle
Paproski
Reimer
Richardson
Schneider
Siddon
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Québec-Est)
Valcourt
Vézina
Vincent
White
Winegard—110

PAIRED MEMBERS

nil/aucun

Madam Deputy Speaker: I declare Motion No. 49 lost.

The next question is on Motion No. 57.

The House divided on Motion No. 57, which was negatived on the following division:

Government Orders

(Division No. 344)

YEAS

Members

Althouse
Arseneault
Axworthy (Winnipeg South Centre)
Bevilacqua
Blaikie
Boudria
Caccia
de Jong
Duceppe
Edmonston
Foster
Funk
Gagliano
Gauthier
Harb
Karpoff
Kristiansen
Langdon (Essex—Windsor)
Lee
MacLaren
MacWilliam
Marchi
McCurdy
Milliken
Murphy
Nystrom
Peterson
Rideout
Rocheleau
Skelly (Comox—Alberni)
Stupich
Venne
Wappel
Young (Acadie—Bathurst)—67

Angus
Axworthy (Saskatoon—Clark's Crossing)
Bellemare
Blackburn (Brant)
Bouchard (Lac-Saint-Jean)
Brewin
Clancy
Dingwall
Duhamel
Finestone
Fulton
Gaffney
Gardiner
Gérin
Harvard
Keyes
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLellan
Manley
Marleau
Mifflin
Mills
Nowlan
Parent
Pickard
Riis
Rompkey
Stewart
Tremblay (Rosemont)
Volpe
Whittaker

NAYS

Members

Anderson
Atkinson
Bertrand
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Browes
Campbell (Vancouver Centre)
Chadwick
Cole
Cook
Corbeil
Couture
Darling
Desjardins
Dobbie
Dorin
Epp
Feltham
Fretz
Gibeau
Greene
Gustafson
Hawkes
Hockin
Holtmann
Jacques
Jelinek
Joncas
Kempling
Landry
Larrivée
Lewis

Andre
Beatty
Bjornson
Blais
Bosley
Brightwell
Cadieux
Cardiff
Champagne (Champlain)
Collins
Cooper
Côté
Danis
Della Noce
Dick
Domm
Edwards
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de- la-Madeleine)
Guilbault
Halliday
Hicks
Hogue
Horner
James
Johnson
Jourdenais
Koury
Langlois
Layton
Loiselle

Lopez
MacKay
Mayer
McDermid
Merrithew
Monteith
Nicholson
O'Kurley
Reid
Ricard
Saint-Julien
Shields
Sobeski
Sparrow
Tardif
Thacker
Thorkelson
Turner (Halton—Peel)
Van De Walle
Vien
Weiner
Wilbee

MacDougall (Timiskaming)
Martin (Lincoln)
Mazankowski
McDougall (St. Paul's)
Mitges
Moore
Oberle
Paproski
Reimer
Richardson
Schneider
Siddon
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Québec-Est)
Valcourt
Vézina
Vincent
White
Winegard—110

PAIRED MEMBERS

nil/aucun

Madam Deputy Speaker: I declare Motion No. 57 lost. Consequently Motions Nos. 60, 62, 64 and 66 are declared lost as well.

The next question is on Motion No. 58.

The House divided on Motion No. 58, which was negatived on the following division:

(Division No. 345)

YEAS

Members

Althouse
Arseneault
Axworthy (Winnipeg South Centre)
Bevilacqua
Blaikie
Boudria
Caccia
de Jong
Duceppe
Edmonston
Foster
Funk
Gagliano
Gauthier
Harb
Karpoff
Kristiansen
Langdon (Essex—Windsor)
Lee
MacLaren
MacWilliam
Marchi
McCurdy
Milliken
Murphy
Nystrom
Peterson
Rideout
Rocheleau
Skelly (Comox—Alberni)
Stupich
Venne
Wappel
Young (Acadie—Bathurst)—67

Angus
Axworthy (Saskatoon—Clark's Crossing)
Bellemare
Blackburn (Brant)
Bouchard (Lac-Saint-Jean)
Brewin
Clancy
Dingwall
Duhamel
Finestone
Fulton
Gaffney
Gardiner
Gérin
Harvard
Keyes
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLellan
Manley
Marleau
Mifflin
Mills
Nowlan
Parent
Pickard
Riis
Rompkey
Stewart
Tremblay (Rosemont)
Volpe
Whittaker

NAYS

Members

Anderson
Atkinson
Bertrand
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Browes
Campbell (Vancouver Centre)
Chadwick
Cole
Cook
Corbeil
Couture
Darling
Desjardins
Dobbie
Dorin
Epp
Feltham
Fretz
Gibeau
Greene
Gustafson
Hawkes
Hockin
Holtmann
Jacques
Jelinek
Joncas
Kempling
Landry
Larrivée
Lewis
Lopez
MacKay
Mayer
McDermid
Merrithew
Monteith
Nicholson
O'Kurley
Reid
Ricard
Saint-Julien
Shields
Sobeski
Sparrow
Tardif
Thacker
Thorkelson
Turner (Halton—Peel)
Van De Walle
Vien
Weiner
Wilbee

Andre
Beatty
Bjornson
Blais
Bosley
Brightwell
Cadieux
Cardiff
Champagne (Champlain)
Collins
Cooper
Côté
Danis
Della Noce
Dick
Domm
Edwards
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de- la-Madeleine)
Guilbault
Halliday
Hicks
Hogue
Horner
James
Johnson
Jourdenais
Koury
Langlois
Layton
Loiselle
MacDougall (Timiskaming)
Martin (Lincoln)
Mazankowski
McDougall (St. Paul's)
Mitges
Moore
Oberle
Paproski
Reimer
Richardson
Schneider
Siddon
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Québec-Est)
Valcourt
Vézina
Vincent
White
Winegard—110

PAIRED MEMBERS

nil/aucun

Madam Deputy Speaker: I declare Motion No. 58 lost.

The next question is on Motion No. 68.

The House divided on Motion No. 68, which was negatived on the following division:

YEAS

Members

Althouse
Arseneault
Axworthy (Winnipeg South Centre)
Bevilacqua
Blaikie
Boudria
Caccia
de Jong
Duceppe
Edmonston
Foster
Funk
Gagliano
Gauthier
Harb
Karpoff
Kristiansen
Langdon (Essex—Windsor)
Lee
MacLaren
MacWilliam
Marchi
McCurdy
Milliken
Murphy
Nystrom
Peterson
Rideout
Rocheleau
Skelly (Comox—Alberni)
Stupich
Venne
Wappel
Young (Acadie—Bathurst)—67

Angus
Axworthy (Saskatoon—Clark's Crossing)
Bellemare
Blackburn (Brant)
Bouchard (Lac-Saint-Jean)
Brewin
Clancy
Dingwall
Duhamel
Finestone
Fulton
Gaffney
Gardiner
Gérin
Harvard
Keyes
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLellan
Manley
Marleau
Mifflin
Mills
Nowlan
Parent
Pickard
Riis
Rompkey
Stewart
Tremblay (Rosemont)
Volpe
Whittaker

NAYS

Members

Anderson
Atkinson
Bertrand
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Browes
Campbell (Vancouver Centre)
Chadwick
Cole
Cook
Corbeil
Couture
Darling
Desjardins
Dobbie
Dorin
Epp
Feltham
Fretz
Gibeau
Greene
Gustafson
Hawkes
Hockin
Holtmann
Jacques
Jelinek
Joncas
Kempling
Landry
Larrivée
Lewis

Andre
Beatty
Bjornson
Blais
Bosley
Brightwell
Cadieux
Cardiff
Champagne (Champlain)
Collins
Cooper
Côté
Danis
Della Noce
Dick
Domm
Edwards
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de- la-Madeleine)
Guilbault
Halliday
Hicks
Hogue
Horner
James
Johnson
Jourdenais
Koury
Langlois
Layton
Loiselle

Lopez
MacKay
Mayer
McDermid
Merrithew
Monteith
Nicholson
O'Kurley
Reid
Ricard
Saint-Julien
Shields
Sobeski
Sparrow
Tardif
Thacker
Thorkelson
Turner (Halton—Peel)
Van De Walle
Vien
Weiner
Wilbee
MacDougall (Timiskaming)
Martin (Lincoln)
Mazankowski
McDougall (St. Paul's)
Mitges
Moore
Oberle
Paproski
Reimer
Richardson
Schneider
Siddon
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Québec-Est)
Valcourt
Vézina
Vincent
White
Winegard—110

PAIRED MEMBERS

nil/aucun

Madam Deputy Speaker: I declare Motion No. 68 lost. I also declare Motions Nos. 70, 72, 75, 77, 79, 81, 83, 85, 87 and 89 lost as well.

The next question is on Motion No. 74.

The House divided on Motion No. 74, which was negatived on the following division:

(Division No. 347)

YEAS

Members

Althouse
Arseneault
Axworthy (Winnipeg South Centre)
Bevilacqua
Blaikie
Boudria
Caccia
de Jong
Duceppe
Edmonston
Foster
Funk
Gagliano
Gauthier
Harb
Karpoff
Kristiansen
Langdon (Essex—Windsor)
Lee
MacLaren
MacWilliam
Marchi
McCurdy
Milliken
Murphy
Nystrom
Peterson
Rideout
Rocheleau
Skelly (Comox—Alberni)
Stupich
Venne
Wappel
Young (Acadie—Bathurst)—67
Angus
Axworthy (Saskatoon—Clark's Crossing)
Bellemare
Blackburn (Brant)
Bouchard (Lac-Saint-Jean)
Brewin
Clancy
Dingwall
Duhamel
Finestone
Fulton
Gaffney
Gardiner
Gérin
Harvard
Keyes
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLellan
Manley
Marleau
Mifflin
Mills
Nowlan
Parent
Pickard
Riis
Rompkey
Stewart
Tremblay (Rosemont)
Volpe
Whittaker

NAYS

Members

Anderson
Atkinson
Bertrand
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Browes
Campbell (Vancouver Centre)
Chadwick
Cole
Cook
Corbeil
Couture
Darling
Desjardins
Dobbie
Dorin
Epp
Feltham
Fretz
Gibeau
Greene
Gustafson
Hawkes
Hockin
Holtmann
Jacques
Jelinek
Joncas
Kempling
Landry
Larrivée
Lewis
Lopez
MacKay
Mayer
McDermid
Merrithew
Monteith
Nicholson
O'Kurley
Reid
Ricard
Saint-Julien
Shields
Sobeski
Sparrow
Tardif
Thacker
Thorkelson
Turner (Halton—Peel)
Van De Walle
Vien
Weiner
Wilbee
Andre
Beatty
Bjornson
Blais
Bosley
Brightwell
Cadieux
Cardiff
Champagne (Champlain)
Collins
Cooper
Côté
Danis
Della Noce
Dick
Domm
Edwards
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de- la-Madeleine)
Guilbault
Halliday
Hicks
Hogue
Horner
James
Johnson
Jourdenais
Koury
Langlois
Layton
Loiselle
MacDougall (Timiskaming)
Martin (Lincoln)
Mazankowski
McDougall (St. Paul's)
Mitges
Moore
Oberle
Paproski
Reimer
Richardson
Schneider
Siddon
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Québec-Est)
Valcourt
Vézina
Vincent
White
Winegard—110

PAIRED MEMBERS

nil/aucun

Madam Deputy Speaker: I declare Motion No. 74 lost.

The next question is on Motion No. 91.

The House divided on Motion No. 91, which was negatived on the following division:

(Division No. 348)

YEAS

Members

Althouse
Arseneault
Axworthy (Winnipeg South Centre)
Bevilacqua
Blaikie
Boudria
Caccia
de Jong
Duceppe
Edmonston
Foster
Funk
Gagliano
Gauthier
Harb
Karpoff
Kristiansen
Langdon (Essex—Windsor)
Lee
MacLaren
MacWilliam
Marchi
McCurdy
Milliken
Murphy
Nystrom
Peterson
Rideout
Rocheleau
Skelly (Comox—Alberni)
Stupich
Venne
Wappel
Young (Acadie—Bathurst)—67

Angus
Axworthy (Saskatoon—Clark's Crossing)
Bellemare
Blackburn (Brant)
Bouchard (Lac-Saint-Jean)
Brewin
Clancy
Dingwall
Duhamel
Finestone
Fulton
Gaffney
Gardiner
Gérin
Harvard
Keyes
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLellan
Manley
Marleau
Mifflin
Mills
Nowlan
Parent
Pickard
Riis
Rompkey
Stewart
Tremblay (Rosemont)
Volpe
Whittaker

NAYS

Members

Anderson
Atkinson
Bertrand
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Browes
Campbell (Vancouver Centre)
Chadwick
Cole
Cook
Corbeil
Couture
Darling
Desjardins
Dobbie
Dorin
Epp
Feltham
Fretz
Gibeau
Greene
Gustafson
Hawkes
Hockin
Holtmann
Jacques
Jelinek
Joncas
Kempling
Landry
Larrivée
Lewis

Andre
Beatty
Bjornson
Blais
Bosley
Brightwell
Cadieux
Cardiff
Champagne (Champlain)
Collins
Cooper
Côté
Danis
Della Noce
Dick
Domm
Edwards
Fee
Ferland
Friesen
Gray (Bonaventure—Îles-de- la-Madeleine)
Guilbault
Halliday
Hicks
Hogue
Horner
James
Johnson
Jourdenais
Koury
Langlois
Layton
Loiselle

Lopez
MacKay
Mayer
McDermid
Merrithew
Monteith
Nicholson
O'Kurley
Reid
Ricard
Saint-Julien
Shields
Sobeski
Sparrow
Tardif
Thacker
Thorkelson
Turner (Halton—Peel)
Van De Walle
Vien
Weiner
Wilbee

MacDougall (Timiskaming)
Martin (Lincoln)
Mazankowski
McDougall (St. Paul's)
Mitges
Moore
Oberle
Paproski
Reimer
Richardson
Schneider
Siddon
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Québec-Est)
Valcourt
Vézina
Vincent
White
Winegard—110

PAIRED—MEMBERS

Members

nil/aucun

Madam Deputy Speaker: I declare Motion No. 91 lost.

The next question is on Motion No. 92.

The House divided on Motion No. 92, which was negatived on the following division:

(Division No. 349)

YEAS

Members

Althouse
Arseneault
Axworthy (Winnipeg South Centre)
Bevilacqua
Blaikie
Boudria
Caccia
de Jong
Duceppe
Edmonston
Foster
Funk
Gagliano
Gauthier
Harb
Karpoff
Kristiansen
Langdon (Essex—Windsor)
Lee
MacLaren
MacWilliam
Marchi
McCurdy
Milliken
Murphy
Nystrom
Peterson
Rideout
Rocheleau
Skelly (Comox—Alberni)
Stupich
Venne
Wappel
Young (Acadie—Bathurst)—67

Angus
Axworthy (Saskatoon—Clark's Crossing)
Bellemare
Blackburn (Brant)
Bouchard (Lac-Saint-Jean)
Brewin
Clancy
Dingwall
Duhamel
Finestone
Fulton
Gaffney
Gardiner
Gérin
Harvard
Keyes
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLellan
Manley
Marleau
Mifflin
Mills
Nowlan
Parent
Pickard
Riis
Rompkey
Stewart
Tremblay (Rosemont)
Volpe
Whittaker

NAYS

Members

Anderson	Andre
Atkinson	Beatty
RBertrand	Bjornson
Blackburn (Jonquière)	Blais
Blenkarn	Bosley
Bouchard (Roberval)	Brightwell
Browes	Cadieux
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Cole	Collins
Cook	Cooper
Corbeil	Côté
Couture	Danis
Darling	Della Noce
Desjardins	Dick
Dobbie	Domm
Dorin	Edwards
Epp	Fee
Feltham	Ferland
Fretz	Friesen
Gibeau	Gray (Bonaventure—Îles-de- la-Madeleine)
Greene	Guilbault
Gustafson	Halliday
Hawkes	Hicks
Hockin	Hogue
Holtmann	Horner
Jacques	James
Jelinek	Johnson
Joncas	Jourdenais
Kempling	Koury
Landry	Langlois
Larrivée	Layton
Lewis	Loiselle
Lopez	MacDougall (Timiskaming)
MacKay	Martin (Lincoln)
Mayer	Mazankowski
McDermid	McDougall (St. Paul's)
Merrithew	Mitges
Monteith	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Saint-Julien	Schneider
Shields	Siddon
Sobeski	Soetens
Sparrow	Stevenson
Tardif	Tétreault
Thacker	Thompson
Thorkelson	Tremblay (Québec-Est)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vézina
Vien	Vincent
Weiner	White
Wilbee	Winegard—110

PAIRED MEMBERS

nil/aucun

Madam Deputy Speaker: I declare Motion No. 92 lost.

[*English*]

Mr. Hawkes: I think, Madam Speaker, you would find a predisposition in the House to take the votes just concluded and apply them in reverse to the concurrence motion.

Madam Deputy Speaker: Is there unanimous consent for the vote to be applied in reverse to the concurrence motion?

Some hon. members: Agreed.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance) moved that the bill be concurred in.

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

(*Division No. 350*)

YEAS

Members

Anderson	Andre
Atkinson	Beatty
Bertrand	Bjornson
Blackburn (Jonquière)	Blais
Blenkarn	Bosley
Bouchard (Roberval)	Brightwell
Browes	Cadieux
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Cole	Collins
Cook	Cooper
Corbeil	Côté
Couture	Danis
Darling	Della Noce
Desjardins	Dick
Dobbie	Domm
Dorin	Edwards
Epp	Fee
Feltham	Ferland
Fretz	Friesen
Gibeau	Gray (Bonaventure—Îles-de- la-Madeleine)
Greene	Guilbault
Gustafson	Halliday
Hawkes	Hicks
Hockin	Hogue
Holtmann	Horner
Jacques	James
Jelinek	Johnson
Joncas	Jourdenais
Kempling	Koury
Landry	Langlois
Larrivée	Layton
Lewis	Loiselle
Lopez	MacDougall (Timiskaming)
MacKay	Martin (Lincoln)
Mayer	Mazankowski
McDermid	McDougall (St. Paul's)
Merrithew	Mitges
Monteith	Moore
Nicholson	Oberle
O'Kurley	Paproski
Reid	Reimer
Ricard	Richardson
Saint-Julien	Schneider
Shields	Siddon
Sobeski	Soetens
Sparrow	Stevenson

Tardif	Tétreault
Thacker	Thompson
Thorkelson	Tremblay (Québec-Est)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vézina
Vien	Vincent
Weiner	White
Wilbee	Winegard—110

NAYS

Members

Althouse	Angus
Arseneault	Axworthy (Saskatoon—Clark's Crossing)
Axworthy (Winnipeg South Centre)	Bellemare
Bevilacqua	Blackburn (Brant)
Blaikie	Bouchard (Lac-Saint-Jean)
Boudria	Brewin
Caccia	Clancy
de Jong	Dingwall
Duceppe	Duhamel
Edmonston	Finestone
Foster	Fulton
Funk	Gaffney
Gagliano	Gardiner
Gauthier	Gérin
Harb	Harvard
Karpoff	Keyes
Kristiansen	Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)	LeBlanc (Cape Breton Highlands—Canso)
Lee	MacAulay
MacLaren	MacLellan
MacWilliam	Manley
Marchi	Marleau
McCurdy	Mifflin
Milliken	Mills
Murphy	Nowlan
Nystrom	Parent
Peterson	Pickard
Rideout	Riis
Rocheleau	Rompkey
Skelly (Comox—Alberni)	Stewart
Stupich	Tremblay (Rosemont)
Venne	Volpe
Wappel	Whittaker
Young (Acadie—Bathurst)—67	

PAIRED MEMBERS

nil/aucun

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, pursuant to section 36(8), I have the honour to table, in both official languages, the government's response to 21 petitions.

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

* * *

INTERPARLIAMENTARY DELEGATIONS

CANADIAN NATO PARLIAMENTARY ASSOCIATION

Mr. Bob Hicks (Scarborough East): Madam Speaker, pursuant to Standing Order 34, I have the honour to present, in both official languages, to the House the 15th and 16th reports of the Canadian NATO Parliamentary Association.

These reports concern meetings of a subcommittee on the southern region of the North Atlantic Assembly which was held in Israel September 9 to September 13 and a Rose Roth Seminar on Regional Stability in the Balkans which was held in Athens, Greece, from October 10 to October 15, 1992.

• (1050)

REPORT OF CANADIAN GROUP ON 88TH CONFERENCE

Mr. Bruce Halliday (Oxford): Madam 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 Group of theInterparliamentary Union which represented Canada at the 88th Interparliamentary Conference in Stockholm, Sweden, from September 7 to September 12, 1992.

* * *

HOUSE MANAGEMENT

53RD AND 54TH REPORTS OF STANDING COMMITTEE

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I have the honour to present the 53rd and 54th reports of the Standing Committee on House Management.

Pursuant to Standing Order 113(1), these reports are deemed adopted when laid upon the table.

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

* * *

INCOME TAX ACT, THE CANADA PENSION PLAN, THE INCOME TAX CONVENTIONS INTERPRETATION ACT, THE TAX REBATE DISCOUNTING ACT, THE UNEMPLOYMENT INSURANCE ACT AND CERTAIN RELATED ACTS

MEASURE TO AMEND

Hon. John McDermid (for the Minister of Finance) moved for leave to introduce Bill C–92, an act to amend the Income Tax Act, the Canada Pension Plan, the Income Tax Conventions Interpretation Act, the Tax Rebate Discounting Act, the Unemployment Insurance Act and certain related acts.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. McDermid for the Minister of Finance moves that the bill be now read the first time and printed.

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

Bill read the first time and printed.

* * *

BUDGET IMPLEMENTATION (GOVERNMENT ORGANIZATIONS) ACT, 1992

MEASURE TO ENACT

Hon. John McDermid (for the Minister of Finance) moved for leave to introduce Bill C–93, an act to implement certain government organization provisions of the budget tabled in the House of Commons on February 25, 1992.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. McDermid for the Minister of Finance moves that the bill be now read the first time and printed.

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

Bill read the first time and printed.

AN ACT TO APPROVE, GIVE EFFECT TO AND DECLARE VALID THE AGREEMENT BETWEEN HER MAJESTY THE QUEEN IN RIGHT OF CANADA AND THE GWICH'IN, AS REPRESENTED BY THE GWICH'IN TRIBAL COUNCIL, AND TO AMEND AN ACT IN CONSEQUENCE THEREOF

MEASURE TO ENACT

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development) moved for leave to introduce Bill C–94, an act to approve, give effect to and declare valid the agreement between Her Majesty the Queen in right of Canada and the Gwich'in, as represented by the Gwich'in Tribal Council, and to amend an act in consequence thereof.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Siddon moves that the bill be now read the first time and printed.

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

Bill read the first time and printed.

* * *

FARM CREDIT CORPORATION ACT

MEASURE TO ENACT

Hon. Charles Mayer (for the Minister of Agriculture) moved for leave to introduce Bill C–95, an act to continue the Farm Credit Corporation and to repeal certain acts in consequence thereof.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Mayer for the Minister of Agriculture moves that the bill be now read the first time and printed.

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

Bill read the first time and printed.

NOVA SCOTIA COURTS AMENDMENT ACT, 1992

MEASURE TO ENACT

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada) moved for leave to introduce Bill C-96, an act to amend the Judges Act and other acts to give effect to the reconstitution of the courts in Nova Scotia.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Ms. Campbell (Vancouver Centre) moves that the bill be now read the first time and printed.

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

Bill read the first time and printed.

* * *

[*Translation*]

MARINE INSURANCE ACT

MEASURE TO ENACT

Hon. Thomas Siddon (for the Minister of Transport) moved for leave to introduce Bill C-97, an act respecting marine insurance.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed to be adopted.

Mr. Siddon for the Minister of Transport moves that the bill be now read a first time and printed.

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

Bill read the first time and printed.

* * *

[*English*]

MURAL CITY OF CANADA ACT

MEASURE TO ENACT

Mr. Gilbert Parent (Welland—St. Catharines—Thorold) moved for leave to introduce Bill C-378, an act declaring the city of Welland to be the mural city of Canada.

Some hon. members: Hear, hear.

Mr. Parent: Madam Speaker, with all this applause I am encouraged to proceed with the bill.

Welland, one of the cities in my riding, features an amazing outdoor art gallery made up of 28 huge murals around the city, some as big as 20 feet by 40 feet. Every year we get bus loads of visitors, literally thousands of people regularly coming to Welland to see the murals.

It all started in the early 1980s when the city was in economic trouble and the downtown core was in decline. At that time a group of citizens formed what they called the promote Welland task force which was headed by Mr. Ken Jensen and Mr. John Van Kouten. Hundreds of volunteers, 12 committees and 17 Canadian artists later, and we have a unique Canadian project in our city and a dream which is fast becoming a lasting reality for all of us in Welland and in the riding.

I heartily recommend this bill to all my colleagues in the House.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Parent moves that the bill be now read the first time and printed.

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

Bill read the first time and printed.

* * *

POINT OF ORDER

HUMAN RIGHTS AND THE STATUS OF DISABLED PERSONS

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, I rise on a point of order. I am wondering if my colleague, the parliamentary secretary to the government House leader, could perhaps intervene in a situation which I think may require the guidance of the Chair.

The Minister of Multiculturalism and Citizenship has had in his hands for quite some time a report from the Standing Committee on Human Rights and the Status of Disabled Persons. That report is entitled *Paying too Dearly* and is with regard to the Court Challenges Program.

Under the rules the minister has so many days in which to table a comprehensive response. However, as a result of the referendum and the House being closed and cabinet not being in session, the minister was unable to do that.

• (1100)

I raised this matter last Thursday, October 19, in the House. The minister was present and gave an answer, and I am quoting from *Hansard* at page 13659:

> Madam Speaker, consistent with the policy of the government and the House I am now waiting to consult my cabinet colleagues. The appropriate appearance will be taking place before a cabinet committee at a very early opportunity. I am now waiting for that appearance to take place.

I am seeking guidance from the Chair. I appreciate that the minister had difficulty. I think we have been more than reasonable in terms of allowing the minister to try to meet with his colleagues in order to present his report and thereafter his response to the House.

I do not seek a ruling at this point in time, but I seek guidance of the Chair in that it is in conflict with the Standing Orders as I read them. I am wondering if the parliamentary secretary could not undertake to come back to this House later this day to give us a specific day as to when the minister will give the response as he is supposed to under the provisions of the Standing Orders. I ask that of my friend and colleague, the parliamentary secretary.

At the same time I seek guidance from the Chair as to what the Chair might be able to do in terms of facilitating this process and receiving that important report.

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I just want to clarify. I thought I heard my hon. friend say that the exchange between himself and the minister had taken place on October 19.

Mr. Dingwall: November 19.

Mr. Edwards: November 19, of course, because the House was not sitting on October 19. This was precisely one week ago today. It would not be unreasonable to give the minister a little more time.

I am aware there are numerous meetings of cabinet going on. I believe there is one going on today. I have no idea whether or not this matter is on that agenda. However I will undertake to my hon. friend, the opposition House leader, to make inquiries and to get back to him just as soon as I practically can.

Madam Deputy Speaker: The House has heard the response of the hon. parliamentary secretary. I would imagine that he will come back to the House as soon as possible, as he has said he would. I am sure the hon. opposition House leader will get the answer that he is expecting shortly; if not, I am sure he will bring it that to the Chair's attention.

In the meantime I do not think the Chair has to interfere at this point, but we will be waiting patiently for the parliamentary secretary's answer.

Mr. Dingwall: Madam Speaker, I thank the Chair and I thank my colleague opposite for the undertaking, but I do want to share with the Chair that time is of importance here. Although we in the opposition have been very reasonable in awaiting this particular report from the minister's office, we are not prepared to allow this matter to go on for an indefinite period of time.

The parliamentary secretary quite categorically said that he would get back as soon as he could. I would like the parliamentary secretary to be a little more specific as to what the earliest time might be. I clearly got the impression, not a statement, from the minister's intervention on November 19 that we were just around the corner in terms of this report being tabled.

Madam Speaker will know that this House is due to adjourn on December 11. There are many bills which have to come before the House. There is an economic statement. This is a very substantive report with regard to the Court Challenges Program and we believe that the minister ought to respond immediately.

I just give notice to the Chair that this is in breach of the Standing Orders. The parliamentary secretary should take the House into his confidence and tell us when the minister will report to the House. Earliest time is just like saying the cheque is in the mail. I am not prepared to accept that.

Mr. Edwards: Madam Speaker, we can debate about words. The phrase that I actually used in responding to my hon. friend, and I chose it very carefully and I thought with maximum helpfulness, was that I will report back to my hon. friend and to the House just as soon as I practically can. I cannot do better than that.

PETITIONS

CHILD POVERTY

Mr. Mac Harb (Ottawa Centre): Madam Speaker, I would like to introduce a petition signed by many residents concerning child poverty. In November 1989 this House expressed its concern for the more than one million Canadian children currently living in poverty and also committed itself to seek the goal of eliminating poverty among Canadian children by the year 2000.

The petitioners are calling on the government to reaffirm its commitment to seek the elimination of child poverty by the year 2000.

[*Translation*]

SOCIAL SCIENCES AND HUMANITIES RESEARCH COUNCIL

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, I have before me a petition which reads as follows. The petitioners point out that the greatest challenges facing our society are not only political and economic but also social, for example, poverty, unemployment, abuse of the elderly, women and children.

They say that we need the humanities and social sciences to solve these problems. They also indicate that the government's proposal to merge the Social Sciences and Humanities Research Council with the Canada Council is an inappropriate setback. They ask that this decision be postponed and in-depth consultation undertaken.

[*English*]

YOUNG OFFENDERS

Mr. Doug Fee (Red Deer): Madam Speaker, it is my privilege to present a petition signed by a number of my constituents. Pursuant to Standing Order 36, it has been certified correct as to form and content.

This petition is presented with sadness and also a degree of frustration because I know it was signed by many in anger. In memory of Ryan Garrioch, the signatories from Innisfail, Red Deer, Blackfalds and Sylvan Lake call on this Parliament to replace the Young Offenders Act with an updated juvenile delinquent act with a lowered maximum age of 13 years.

[*Translation*]

REQUEST FOR ELIMINATION OF VIOLENCE IN OUR SOCIETY

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, I have the honour to table a petition from people in Manneville, Sainte-Gertrude, Launay, Malartic, Guyenne, Lebel-sur-Quévillon and Val-d'Or in Abitibi. The petitioners say that violent movies on television are dangerous and therefore unacceptable because they incite more violence.

They mention that all toys which incite violent games are unacceptable and should not be made. They also say that the freedom of the press to report acts of violence should be limited and that information on violent acts which is repeated too often on all television stations and on radio can incite others to commit the same acts of violence.

Therefore the petitioners humbly ask Parliament to legislate on the above-mentioned points to eliminate violence in our society in order to protect our children more and give all our fellow citizens a better quality of life.

[*English*]

NORTH THOMPSON RIVER

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, this is another petition in the growing number of petitions that I have submitted recently regarding the proposal by Multinational Resources, a company which has intentions of damming a portion of the flow of the North Thompson River and diverting that flow into the California water market.

The residents of Falkland, a community in my riding of Okanagan—Shuswap, are concerned about the impact of this water diversion proposal. They urge the government to state categorically that it will not permit our fresh waters to be dammed and diverted into U.S. and possibly Mexican markets and to state that our Canadian rivers are not for sale.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Madam Speaker, I have the privilege to table a petition in the House today regarding the question of water exports. It relates specifically to a project in northern British Columbia, a proposal to divert a portion of the water from the North Thompson River into what is referred to as Kinbasket Lake for eventual piping out of the Columbia River into California.

• (1110)

Water is the life-blood of our country. These Canadians are expressing their concerns about these water export and diversion proposals. They call upon the Government of Canada to state categorically that it will not permit our fresh water rivers to be dammed and diverted to the U.S.A. and to state that our Canadian rivers are not for sale.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Madam Speaker, it is my pleasure to rise today and present a petition. It is signed by people from all over the province of British Columbia and throughout Alberta who are concerned with the intention of the United States to divert water from Canadian rivers into the United States for use in the San Diego, California, area and other parts of the United States and northern Mexico.

They are concerned that these diversions have not been specifically prohibited either in the free trade agreement or in the proposed North American free trade agreement. They ask this government to specifically and categorically state that it will not permit our fresh water rivers to be dammed and diverted into the United States of America, and to state that our Canadian rivers are not for sale.

HOUSING

Mr. Ray Funk (Prince Albert—Churchill River): Madam Speaker, I have the honour to present two petitions. One is signed by approximately 300 petitioners from Moosomin, Saskatchewan, Vancouver, B.C., and Okotoks, Alberta.

These people are very disappointed that this government in its ideological frenzy gunned down the most cost effective and socially useful housing program this country ever had, the co-op housing program. They are calling on Parliament to recognize housing as a shared provincial-federal responsibility, to support the federal non-profit co-operative housing program and to maintain the Canada Mortgage and Housing Corporation.

BILL C-91

Mr. Ray Funk (Prince Albert—Churchill River): Madam Speaker, the second petition is signed by approximately 600 residents of my own constituency of Prince Albert—Churchill River. These people are surprised that the drug multinationals should be in a panic thinking that perhaps President Clinton will bring in a drug program much like the Canadian one. Therefore they want the puppet regime opposite to move quickly in the Canadian generic drug industry and Canadian drug plans.

These people are calling on parliamentarians not to proceed with Bill C-91 and to repeal Bill C-22 passed in 1987 so that Canadians will have the full benefits from lower priced generic drugs and so that provincial and private drug plans can service Canadians without being forced to charge higher fees or provide less coverage.

CRIMES OF VIOLENCE

Mr. Nelson A. Riis (Kamloops): Madam Speaker, it is a privilege to present a petition on behalf of a number of constituents who point out in their petition that crimes of violence against the person are intolerable and constitute the most abhorrent crimes that society faces.

They point out that sentencing for crimes of violence does not appropriately reflect society's abhorrence toward violence in order to act as a true deterrent and to protect the public by removal of the offender from society.

Therefore they are asking Parliament to recognize that crimes of violence against a person are serious and abhorrent and that Parliament amend the Criminal Code of Canada accordingly.

PUBLIC SERVICE

Mr. Nelson A. Riis (Kamloops): Madam Speaker, my second petition points out that progress toward true equality for Canadian women continues to be very slow. They are asking the government to introduce legislation that would end wage discrimination in the federal Public Service.

POVERTY

Mr. Nelson A. Riis (Kamloops): Madam Speaker, on another matter, the residents point out again the very sad fact that over one million young Canadians live in poverty and that the government should take action immediately to ensure that all children have an opportunity to live a full and complete life beyond the element of poverty.

NORTH THOMPSON RIVER

Mr. Nelson A. Riis (Kamloops): Madam Speaker, petitioners from western Canada and throughout the prairies, British Columbia and the Yukon are pointing out their deep concern with a company's intention to divert water from the North Thompson river at Valemount, British Columbia, in an effort to divert the waters into the San Diego basin in California to sell it.

They feel that water ought not to be sold like fish or wood. They point out a renewed interest in the North America water and power alliance and the fact that a firm has just announced its intention to hold hearings in February in California and later in the state of Texas to renew interest in the United States to divert Canadian water to the United States on a grand scale. They are simply pointing out that they oppose this approach. They oppose this project and are asking the Government of Canada to state categorically that it will not permit our fresh water rivers to be dammed, diverted into the United States, and to state clearly that our rivers are not for sale here in Canada.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Bill Kempling (Parliamentary Secretary to President of the Treasury Board and Minister of State (Finance)): Madam Speaker, I ask that all questions be allowed to stand.

[*Translation*]

Madam Deputy Speaker: Shall the other questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

AN ACT TO DISSOLVE OR TERMINATE CERTAIN CORPORATIONS AND OTHER BODIES

MEASURE TO ENACT

Hon. John McDermid (for the Minister of Finance) moved that Bill C-63, an act to dissolve or terminate certain corporations and other bodies, be read the third time and passed.

Mr. Bill Domm (Parliamentary Secretary to Minister for Science): Madam Speaker, I rise today with not the easiest job in the world but one that is very necessary. That is to proceed now with third reading of Bill C-63.

I say that for a couple of reasons. Hon. members are all aware of the government announcement in February

1992 in the budget that a total of 46 government agencies, boards, commissions, corporations or advisory bodies would be eliminated or consolidated or perhaps deferred or privatized.

This bill, the Corporate Dissolutions Act, is the first legislative measure giving effect to this commitment. It dissolves six agencies: the Economic Council of Canada, the Science Council of Canada, the International Centre for Ocean Development, The Canadian Institute for International Peace and Security, the Law Reform Commission and the Canada Employment and Immigration Advisory Council.

In order to fully understand the rationale behind Bill C-63 it is very necessary to look at the bill in the broader picture. By this I mean looking at it in terms of the principles that underline the government's decision to restructure and streamline its own operations. This bill is part of the government's initiative to streamline government. In the consolidations leading up to the budget Canadians told us they wanted government to be leaner, more efficient and less expensive, and we have responded.

The government has taken a hard look at how it can eliminate overlap and duplication in its own operations. Bill C-63 is part of this initiative. This bill is also consistent with the thrust of the Nielsen task force which was set up shortly after our government came into office in 1984.

I firmly believe, as do my colleagues on this side of the House, that governments have a fundamental obligation to ensure that their financial resources, the taxpayers' money, are effectively employed. Like the private sector, government must also ask itself tough questions about whether it can afford to do everything it does now. The slow economic growth this country is experiencing has put substantial pressure on the deficit. The recently released numbers for the fiscal year just ended show a deficit of $34.6 billion, the highest in six years.

• (1120)

While the government managed to maintain operational surplus revenues less program spending of $6.6 billion, the interest charges we must pay on the debt are more than six times greater than that surplus; they are $41.2 billion. The total debt itself stands at $422 billion.

The burden of debt has grown from the legacy we and all Canadians inherited from the previous government. Since 1984 we have run an operational surplus of more than $20 billion. All the growth and the debt since then have come from compounding interest charges on the debt we inherited.

Clearly measures must be taken to reduce spending and bring our fiscal situation back on track. The savings we will see from the winding up of these six organizations are only small steps in that direction, but they are necessary and very important steps.

The critics of the actions called for in this bill have not really offered very many meaningful alternatives and the public is tired of hearing politicians and interest groups say: "Do not cut here", because the bottom line ends up not cutting anywhere.

If we enjoyed better economic times than we do currently, or if we had inherited a sounder fiscal balance when this government came into office in 1984, an argument could be made to keep these organizations in operation. However, at a time when businesses across Canada are having to make hard decisions about the priorities in their operations, the government cannot hold itself aloof or exempt.

When Canadians in every part of the country are forced to make tough choices as they balance family budgets in the light of financial hardships, we cannot pretend that government need not make difficult choices as well. It is this understanding of the financial reality facing Canadians that has led us to put forward Bill C-63.

Simply put, Canada can no longer afford to maintain these organizations given our heavy national debt and the high taxes this brings with it. This is doubly true when the key activities these organizations perform can be and will be addressed by existing departments and private sector resources.

In context Bill C-63 is clearly not an arbitrary measure. It is part of a long-range strategy by the government to reduce its size given today's fiscal realities.

The government believes that Canadians generally will welcome the initiative that we will save taxpayers dollars by eliminating functions that are not essential and by reducing overlap and duplication wherever possible.

My colleague, the parliamentary secretary, in his speech to the House yesterday outlined the savings we expect. Let me just recap the numbers. For the full 46 agencies and bodies we are eliminating, restructuring, deferring or privatizing, including the six covered by this legislation, the saving will be $22 million this fiscal year. This will increase to $71 million in 1993-94 and the total saving over the next five years is estimated to be in the range of $310 million.

The organizations affected by Bill C-63 have all given valuable services to the people of Canada. No one is denying that. I know that many Canadians have been wondering what happens to the invaluable work that was being done by these organizations and also how the tasks performed by these organizations will be continued.

The assets of each organization being wound up are being transferred to the appropriate department or other body. This means that all valuable files and the resource libraries established over the years will be maintained. The bottom line is the government has made sure that these valuable resources are kept intact.

As well the activities performed by the organizations being wound up have been reviewed. Those that are consistent with the government priorities and that are not being performed by other government organizations will be continued.

Already ongoing projects have been taken up by the department or organization best able to see them through. In fact, in many cases public policy actually can be better served by organizations that balance competing interests within themselves, rather than by single interest agencies.

This is particularly true at a time when funds are scarce and people in every sector need to pool resources and work together rather than compete against one another. It makes little sense to incur expensive managerial and administrative costs by dividing functions among individual agencies simply because of different interests.

We deeply regret any personal dislocation that has come about by the phasing out or elimination of these organizations but government and those who work for the Canadian taxpayer cannot expect to be immune to economic reality. Every day the business sector and its employees face the obligation to increase efficiency and at the same time make every effort to control costs. It is high time that the government did likewise.

I should put this another way. I want to emphasize that this legislation is part of a wide-ranging commitment to reduce the burden of government on this economy. This includes ensuring that taxpayers receive optimum value for the resources they entrust to us.

To deliver this value, we have to recognize that government agencies and organizations must be judged by tougher, more competitive standards than was the case in past decades. If we do not accept this obligation, then we as elected representatives are failing in our duty to all Canadians who must work in a tougher and much more competitive world in the 1990s. I urge my colleagues to give speedy passage to this bill.

Mr. Derek Lee (Scarborough—Rouge River): Madam Speaker, I listened carefully to my hon. colleague opposite in his listing of the reasons the government has felt it necessary to dissolve these six agencies. He has referred to other agencies that were listed and enumerated in the throne speech and which the government feels at this time it must dispense with.

I cannot agree that it is appropriate or even that it is cost saving in the end to do this. I have reasons for saying that it is not going to save us very much money.

The government believes and has characterized this initiative as one which will streamline and reduce government and which will save money. It is really killing off agencies that would have continued to provide very important functions to the Government of Canada.

I want to point that the government is coming to this House and saying that it must dispose of agencies and the initiatives it manages and co-ordinates. At the same time the government is doing that, it is sometimes coming to this House—and sometimes not—and embarking on new initiatives just as costly but all in the same realm.

• (1130)

The one which comes to mind immediately is the government's so-called prosperity initiative on which there are millions of dollars being spent, not just on substance because prosperity cannot be implemented by legislation or by policy. This is something that the people, the country and the communities generate. The government is also advertising hand over fist to show Canadians that prosperity is attainable, that they can be a part of it and let us all join together to produce it.

That kind of prosperity initiative is one of several which have been announced this year. This is at the same time as the government is saying it has to get rid of the Economic Council of Canada which has itself recommended initiatives similar to the prosperity initiative. It just does not make sense to me that the money the government wants so badly to save and the streamlining it wants so badly to implement are counterbalanced by increased spending and less streamlining embarking on all these new initiatives.

I do not see the cost saving. What I see is that the government has saved enough money by killing off these agencies in a way which will enable it to spend funds and create new initiatives of its own. Keep in mind that all of the agencies which are being killed off here were initiated just prior to the date in 1984 when this government took office.

One element of the initiative I want to make sure is on the record at third reading is the disturbing procedure of the government in embarking on the streamlining, on the killing off and the dissolutions without the authority of Parliament.

It is clear from the statute that this bill does not ratify previous actions of the government. This bill does not say we agree that the government should have killed off or dissolved this agency. It says that the government may dissolve the agency and wrap up its affairs. In fact the bill authorizes the minister to do the things necessary to wrap up and dissolve the agency.

What we found here over the last few weeks, in fact since the end of June, is that the government has already wound up the affairs of these agencies. It has terminated employment. It has terminated leases. It has liquidated equipment and inventory. It has done all of the things that would be done upon a dissolution or wind-up and it has done it all without the authority of this bill.

I do not understand why we are even going through this exercise if the government is so embolden that it would take on an initiative and complete a task before the authority has been given by this House.

In any event, I could ask what would happen if this bill were not passed or the act never proclaimed. What kind of a situation would we be in then? Canadians would be entitled to ask and be entitled to accuse the government of acting without legal authority. While I am reluctant to say now that the government has acted unlawfully, it has certainly acted without law. The law simply was not in place and it is still not as we debate it now.

A theme that has dogged this debate and one we cannot lose sight of is that most of the agencies the government is dissolving were providing a type of advice, guidance, direction and research to the government that we characterize as independent.

These agencies were set up to provide independent, non-governmental advice and direction to government. It was done because it was recognized that a lot of times in government once a decision is made or once a high official has some idea in his or her head, that is precisely what is going to happen.

There is *ex post facto* a desire on the part of the bureaucracy and the minister to justify, after the fact, that everything has occurred exactly within the mandate and the prescription of what was originally ordained. A lot of time government digs itself a great big hole trying to justify what the minister has decided one, two, three or four years ago. For that reason the government of the day, pre-1984, recognized that independent advice and research were extremely healthy and maybe even integral in assisting the government to make decisions on epolicy, marshalling resources and spending taxpayers' dollars effectively and efficiently.

In the natural course of things there is not enough incentive on the part of public officials, bureaucrats and administrators to provide advice and leadership to a department in a way that could be seen as being adverse to the views of the minister or the people who are higher up on the ladder of authority in the department.

Once a chunk of the department begins its work and starts down the road in a certain direction, it does not have a hope in hell of changing direction because everybody in the system is going to say: "Yes, minister, we are heading in the right direction and I am doing my job. We are a great team". In the worst case scenario the unfortunate minister has no idea what is going on and does not realize things are heading in the wrong direction because he has not had good, independent advice.

Another problem occurs if we dispense with all the independent advice giving, the independence and objectivity. Let us get rid of it all and let the government and the officials proceed on their own. The public has a problem as it monitors what government is doing. Parliament monitors government and asks: "Mr. Minister, what advice are you getting on this? What are you doing? Ten times out of ten the response is: "I am sorry, I cannot tell you what we have recommended to the minister because it is confidential". Advice to ministers is guarded and secret, therefore the public does not get a chance to know what advice is given. The debate is all behind closed doors.

Through the use of independent agencies there is an opportunity to see some of the advice the public sector is receiving. I want to give an example because I think it is a good one. Just recently the Economic Council of Canada, one of the agencies that was being dissolved on April 29 this year, concluded a study on a topic of extreme importance to Canadians at this time. I am sure everyone in this House will agree it is a matter of extreme importance. It had to do with making recommendations for a coherent education system which would link employers, schools and governments, boost the standards and produce graduates better equipped for a more competitive work world.

Those words reiterate what we have been hearing from the government. I do not know who put the words together first, but this was an excellent report on our national system of education, its effectiveness and its cost-effectiveness. That independent report stated the system then in place was a failure. Those are the words. It said: "This is a sign of failure". I could not imagine an official of the minister's department publicly releasing a document that said: "This is a sign of failure". It simply would not happen. I hope I have made the point here that it is only through independent advice giving agencies the public has an opportunity to see the ebb, flow and interplay of ideas and initiatives government will undertake.

• (1140)

We are simply going to be without it in relation to the work of the Economic Council of Canada, the Law Reform Commission, the Canadian Institute for International Peace and Security, and the other agencies we are dealing with here.

The government has said it wants to be more efficient and it can do that by dispensing with these agencies. I do not see the rationale or the linkage. I do not understand how it can become more efficient by getting rid of the agencies that provide it with an objective road map of where it wants to go.

The government has said these agencies do overlapping work of other agencies or other non-governmental organizations. That may be true in some cases, but maybe it is more appropriate to say the other non-government agencies may also be overlapping the work of these agencies. In this debate the government has not given examples of the overlap, so we are unable to judge just how important the fact of the overlap is in the government's decision making.

In relation to the Law Reform Commission, for example, let us say there is some overlap in the work it is doing. Let us say the justice department, a university faculty of law, or some other agency, is doing work that is overlapping.

That is a possibility, but if that is the case then almost every other developed and lesser developed country in the world has the same darned problem. As we look at dissolving the Law Reform Commission we could only find two other countries that did not have a law reform commission or similar body. I think they were both in Africa. One of them was Zimbabwe.

We are going to get rid of overlap while Zimbabwe perhaps never had overlap. I do not think that is a great club to be in. All of the other nations of this world recognize how important it is to have a law reform body as a guide light, as a road map to the future in terms of legal reforms.

This government has said it is getting out of business and privatization seems to be the theme. With what we are seeing here, I say to this House the government is getting out of government. It is getting out of essential aspects of modern day government, the facilities by which we use independent advice.

Every one of these agencies has facilitated the decision-making process of government. Drawing an analogy between government and a ship at sea, if I were a captain of a ship I do not know why I would throw my most effective, objective navigator overboard. I would want a navigator on my ship who was not going to say yes to me just because I was the captain. I would want a navigator who would tell me if I were steering a wrong course, and do it boldly and objectively.

I feel that is what the government is doing by ditching the Economic Council of Canada, the Science Council of Canada, the Law Reform Commission, and the Canadian Institute for International Peace and Security. It does not want to hear objective navigators any more. It just wants to hear its own advice. It will decide what it is going to do. It will make the decisions. All of the bureaucrats do their best from inside the cocoon of government to advise the decision-makers in government what is going on. It is just not enough in this very complex world.

There will be others here today who will rail against how government has grown out of control in terms of its size. I hope the members of this House will listen to those who objectively and calmly tell the government these agencies help government and have not made it grow out of control. They may actually add some efficiency to government.

At the end of the day I hope the bill will not be adopted by the House. I say this knowing in almost every case the government has already killed, dissolved, sold off, or liquidated the agency involved. We cannot even get them on the phone.

One individual, I think in the Ministry of Science and Technology, indicated they did keep their phone number because they were legally advised to keep the agency alive until Parliament passed the bill. It was heartening to hear that, but none of the other agencies could be reached. They were gone. The leases were expired. The furniture had been moved out.

The cost savings hoped for by the government perhaps have not begun quite yet. It probably has to settle some leasing arrangements with landlords. It is starting to save a little bit of money, but it is embarking down the path of losing the independent advice these agencies have so well provided the government, in some cases for 30 years. I will close here and hope members will vote against this bill.

Mr. Jim Fulton (Skeena): Madam Speaker, I am pleased to have an opportunity to speak on third reading of Bill C-63, which is the government legislation to wind up the Canada Employment and Immigration Advisory Council, the Law Reform Commission of Canada, the Canadian Institute for International Peace and Security, the Economic Council of Canada, the International Centre for Ocean Development and the Science Council of Canada.

I had an opportunity yesterday to speak on what it meant for Canada to wind up some of these commissions, institutes and councils. As I said last night, there are six ministers who used to receive advice from these institutions. I find it strange during this debate not a single one of them has held a press conference. It seems to be standard for the government to hold one at a $500 a plate dinner, or somewhere outside the House. Not a single one of them has come in and spoken in the House to explain to Canadians why this institution or that institution is no longer necessary.

Last night members on the government side suggested institutions such as the Law Reform Commission were no longer necessary because the justice committee of the House of Commons was going to be taking on this enormous task. Yet no money has been proposed to go to the justice committee. The library of the Law Reform Commission has not been transferred into the custody of the justice committee of this House.

The government members on that committee have not suggested a timetable or a way of dealing with the duties that were performed by the Law Reform Commission. I suggest that is a fraudulent argument being used by the government side in terms of the Law Reform Commission and the other five agencies.

In terms of the arguments we have just heard this morning, the Neilsen task force was to restructure and streamline government, make it leaner, more efficient and end duplication. I think in a matter of minutes I can lay all of those arguments entirely to rest. In each single instance of these institutes, commissions and bodies that gave independent advice to government, this government has not moved to replace them or make other arrangements with bodies that could at least be considered arm's length or potentially independent.

Instead as in many other cases with this government, it pork-barrels contracts in each of these initiatives out to friends of the party.

• (1150)

When the Prime Minister has $500 a plate dinners in Toronto; they have a list. Who is on the pork-barrel hit parade just phone them up. You need 500 donkeys, you phone 500 donkeys who had their snouts in the trough. You say-we gave you a contract for $50,000, we want you to buy a table, 10 seats at $500. This is called legitimate fund raising now by the government while it is in office.

The argument that these bodies, some of whom received a couple of million dollars, had a couple of dozen bodies doing research and so on for their institutions—the Science Council of Canada at $3 million, the Law Reform Commission at $4 million—the government claims there just is not that kind of money around any more.

Let us take a look at what the Auditor General had to say. He has now concluded that the prison built in the Prime Minister's riding at a cost of $68 million was totally unnecessary. This is not NDP research, this is not Liberal research, this is not the prisoners' complaints bureau of Canada. It is the Auditor General. He said it was unnecessary. We argued in this House that it was a bad location. We received phone calls and letters from people in the criminal justice system who said it was crazy.

I raised last night the movement of the immigration headquarters to Vegreville, Alberta. People who are actively involved in immigration issues in this country know that the overwhelming majority of immigrants that come to Canada come in through Vancouver. They come in through Montreal and they come in through Toronto. Why would any government in its right mind withdraw all of those positions from those offices, slash them by 10, 20 or 30 per cent and move them all to Vegreville, Alberta, in this day of high technology?

Computers can talk to each other. All the people do not have to be in the same lunch room, in the same building in Vegreville so that they can do all 400,000 immigration applications for the whole of Canada. It is pork-barrelling at its very worst. It is just like the penitentiary built in the Prime Minister's riding.

This is an incredibly old-fashioned pork-barrelling attitude, that you have to bring the bacon home. If you are in trouble politically, you have to build a prison or you have to open a new UI centre or you have to do this or you have to do that. This has to be stopped.

An hon. member: We can't afford it.

Mr. Fulton: That is right. The government cannot have it both ways. We know it is going to fill the hotels in Vegreville and God bless the owners of the hotels. They will make piles of money because all the families who are involved in immigration cases will have to go from Montreal to Vegreville. They will have to go from Vancouver to Vegreville. Lawyers involved in getting access to cases will have to go from wherever they are, from Edmonton, Moose Jaw, Quebec City, or St. John's, Newfoundland, to Vegreville, rather than having immigration officials available in Montreal, Toronto, Vancouver, Prince George and Prince Rupert the way they are today.

It is an act of madness and I hope Preston Manning gets on it pretty darn quick, pointing out that this is not just your average pork-barrelling activity. This is stupid: s-t-u-p-i-d. You do not move people from all over the country to a given location to protect somebody politically.

I have never asked for such a thing in 14 years. I cannot imagine that the Deputy Prime Minister is such a cock-a-doodle-do that he has to have it. He is a good speaker. People trust him in Alberta so far as I know. Does he need a chunk of pork that fat and that thick?

Let me tell you what else the Auditor General had to say about this government. He told it years ago to do something about the purchases of the Department of National Defence bullets. What did the government do? It bought 12 million bullets that will not fly straight. That is typical of this group over here.

It cannot go in and audit and say: "Stop buying crooked bullets", but "get rid of the Science Council, get rid of the Law Reform Commission. We cannot have independent bodies; no, of course not". In the Ministry of Employment and Immigration 800 bureaucrats were cashed out, given $30,000, $40,000 and $50,000 to just go home and smoke rope, read the newspaper, have a couple of cool beers and then the same department hired them all on again. The minister has not fired a single person for it.

I tell you, Madam Speaker, if I were the minister responsible, there would be heads lolloping down the street in this city for that kind of crap. We have to get rid of the Science Council they say.

What else does the Auditor General have to say? There is $3.5 billion in loan guarantees and in other aid that Ottawa provided on Hibernia, on Lloydminster's bi-provincial heavy oil upgrader and Regina's new heavy oil upgrader.

What does he conclude about this brilliant cabinet? This is $3.5 billion. We are talking about $3 million to wind up the Science Council of Canada. The government chops it off. There is not $3 million, but on $3.5 billion the Auditor General for Canada says that the cabinet made all of these financial arrangements "without having any clear idea what economic benefits the megaprojects will yield". Just dump'er down the hole, eh? They will get headlines for a while. What is a few billion of the taxpayers' dollars? What is a few billion? The government never bothered to assess whether anything at all will come back out of it.

An hon. member: What is the return to the PC Canada Fund?

Mr. Fulton: What about the debt? The Tories love to travel around and say: Debt, debt, debt. It is all the Liberals' fault; debt, debt, debt. He points out in 1971, 13 per cent of every dollar in this country went to payments on the debt.

What is it under the Tories? It is 33 cents and it will be 34 cents before the end of this year. They will go out and cackle and gaggle during the next election: "Oh the debt, the debt, the debt". The debt doubled under these donkeys. The Tories will probably try to blame it on the NDP. They will say: "Oh, it is the New Democrats. They forced us to do it. We had to get rid of the Science Council of Canada to deal with the debt".

Just while I am speaking, the amount of money to pay on our debt will be as much as would have been required to keep the Science Council of Canada for a whole bloody year. However these guys over here have wax a foot thick in their ears.

Let us take a look at a couple more. "Wealthy exploiting GST loophole". This was raised in the House yesterday by my friend from Newfoundland. He pointed out that you would need 35 children under the age of 18 to comply with the tax requirements to get your GST kickback.

More than 12,000 Canadians, making more than $100,000 were found by the Auditor General to be getting GST rebates. They do not have 35 children under the age of 18. They very cagily move their money out of the country. They make certain deals out there. They do not have to pay any tax on their profits outside the country and then they bring the money back in and of course they get their GST rebate anyway.

The Minister of Finance says: "No, no, the Auditor General does not have accurate figures on how many hundreds of millions this involves". The reporters who are not dumb walk across the street to see Mr. Desautels, the Auditor General, and they say: "The Minister of Finance says you do not have accurate figures on Canada losing a couple of hundred million a year". The Auditor General says: "Of course we do not. That is a very conservative estimate". He cannot get the accurate figures out of the Department of Finance because this is for all these rich monkeys, right? They make more than $100,000 a year. They hire a tax lawyer. The tax lawyer says: "Do this and that in Florida. Do this and that in Georgia. Hide your cash here. Hide your cash there. Make sure you go to these $500 a plate dinners. Make sure you stay on the right side of the governing party. Make sure you do that and nothing will happen".

That is hundreds of millions. They are losing hundreds of millions, and they are cutting the Science Council of Canada at $3 million a year because it was giving independent advice and we know why. This is politically motivated by the hatchetmen, the Praetorian Guard, as my friend from Winnipeg pointed out last night, who now surround the Prime Minister.

I honestly believe now that my friends on the government's side, most Tories have nothing to say about government policy. They come in here and try to defend it once in a while, but not very well. They try, but they know they do not have anything to say. Most of them were surprised when the Prime Minister and the Minister of Finance announced that these institutions were being cut.

They went: "Oh, my God, they are really doing that". Then they realized: "Oh, we are part of the zipped lip party. Keep that lip zipped. Zip that lip. Do not talk about anything. Be quiet in caucus and quiet on the street. Be quiet in the riding. Do not let anybody know that it is out of control".

There is this little group across in another building running the whole damn country. One day they say: "We have to have 10 nuclear submarines, $100 billion. We got to get up there. There are polar bears eating too many seals. We got to get up there. Away we go. Get these nuclear submarines fast".

Canadians go: Could it be true? The government realized that Canadians did not want nuclear submarines. We do not want them in B.C. Every mayor, every MLA and most MPs say: "Get them out of here. We do not want the American ones. We do not want anybody's".

• (1200)

Finally the government says: "Okay, we will not do the nuclear subs; we will do $4.4 billion in helicopters". I reminded the House last night about these helicopters. Since then I have spoken to reporters and they still cannot believe it. My friend behind the curtain cannot believe that any government that is reasonably rationally sane would buy $4.4 billion worth of EH–101 helicopters so that we can look for those nuclear submarines out there. We are not sure whose. I guess the American ones because they will not tell us where they are. They are our ally.

These helicopters cannot land on the frigates. The decks are the wrong size. They do not have enough fuel capacity to do long offshore work so they are no good for offshore fisheries work. They cannot look for subs. They cannot land on the frigates.

The public needs to know once again they cannot be used for search and rescue. They have 160 knots downwash. Can you imagine. You are hanging on the edge of a mountain. Your plane has crashed. There you finally see it, search and rescue, there is the DND coast guard. Ah, they are coming to save you. They are coming to save me. One hundred and sixty knots downwash, that is more than 100 miles an hour. Have you ever stood up in a convertible at 100 miles an hour? Your eyeballs are in the hair at the back of your head.

You would be hanging on the edge of the cliff and whoops, down you would go. You are in the water. Your boat has sunk. Oh, fantastic, here comes the chopper. DND is going to save me. They pull over to pick you out of the water and it drives you 30 feet below the surface. Your last breath is under water. The incompetence goes beyond one's wildest imagination.

Let me give you a couple of other examples of the hundreds of millions that we are losing in taxes because this government will not collect from the wealthy. We lose billions from profitable corporations, from 12,000 Canadians who earn more than $100,000 a year. According to the Auditor General they collected the GST anyway even though they did not have 35 children under the age of 18 each. That was what was required if they were going to collect it.

Let us look at the Department of Indian Affairs and Northern Development. Carelessness at Indian Affairs costs 10,000 jobs a year and $200 million a year for some of the poorest people in Canada. Do we have anything done in the Department of Indian Affairs about it? It has been told about this for years and years and years. Did it do anything? Talks have been held for the past 15 years.

You wonder why unemployment rates are high among aboriginal people and why they cannot get any income. The department still does not have in place a proper means of legally stopping people from stealing the wood off the reserves. There is no way of doing anything about it. Logging companies just pull up, cut the trees down, load them up and drive away. The bands cannot do anything because the lands are held in trust by the Crown and the Crown has not prosecuted a single case.

Let us take a look at military spending. The government says that there is not enough money for these six agencies and that it is going to slash another 40 more. What does *The Financial Post* say? "Almost every federal project to buy new military equipments studied by the Auditor General either went over budget or took longer to deliver than planned. A detailed study of just 11 procurement projects worth $5 billion found that none followed the management system". None, and the government is telling us that the Science Council of Canada with a $3 million budget, with people like John Polanyi, a Nobel laureate, giving independent advice to the government, is too expensive.

When the sacred cow, the Department of National Defence, is squandering billions, hundreds and thousands of millions, the government will not do anything or say anything.

Let us take a look at the Auditor General's report because we deserve to lay to rest this balderdash coming from the government's side that this is making the government leaner, that this is efficiency in getting rid of duplication.

The Auditor General says: "We noted that direct pay and allowances alone cost the department $3.3 billion or 29 per cent of its 1989–90 budget". This is after the revelations last year that our Department of National Defence has more commissioned officers per non–commissioned officers than any other force in the world. The icing is six feet thick and you have a private down at the bottom. There is a general, a lieutenant–colonel, a major and a sergeant above him and the list just goes on and on. For every private there are about 800 generals. Is anybody doing anything about it? Has the Minister of National Defence called in a few of the generals and said: "Hey, guys, what about a few heads rolling?" This is a sacred cow. Of course the government would not want to do anything about it. The department spends between $18,000 and $47,000 per student per year and this is for cadets. All the Auditor General wanted was some kind of benefit evaluation. Will the department do it? Of course not.

Official languages training is a real sacred cow. No one in this country is supposed to want to talk about this stuff. In our 1990 report we recommended that National Defence redefine the goals of its official languages program in terms of the number of bilingual positions required and proficiency levels needed to meet clearly defined operational requirements. That is not unreasonable. Just identify how much you need.

We reported this program cost the department $500 million since 1980 and was expected to cost $1.4 billion over the next 15 years. There were 7,600 individuals on the language training in 1990–91. In 1989 the 9,000 anglophones at the language level closest to becoming bilingual were not given priority access to resources that would have enabled them to become effectively bilingual. In 1990–91, 75 per cent of the student population was still registered at the beginner level of the program.

I am sure one of my colleagues will have an intriguing question to put to me if I am able to complete this set. Canadians have the right to know about this kind of thing.

Mr. Steven W. Langdon (Essex—Windsor): With an invitation like that I am anxious for my colleague to let us in on further secrets within the Auditor General's report that would have meant these important institutions we are talking about today could have been preserved.

Mr. Fulton: My colleague brought me back to the pith of my argument here today. There are many areas a government that was seriously managing government and the taxpayers' dollars would have gone to and drawn dollars from to protect these kinds of agencies.

We have 9,000 anglophones in the Department of National Defence involved in training, but the Auditor General finds they were never given access to the necessary resources. They still got the dough and the program still ran, but they were never given access to it. Therefore 75 per cent of them were still beginners three years later. It seems to me you could give them $20 on a Friday, tell them to go down and hang out in a beer parlour for 24 hours and they would learn more than they would by taking this kind of program which costs $500 million.

It gets worse. I know this is a sensitive area, but listen to the facts. Only 24 per cent of the candidates who took the 1990–91 non–commissioned member basic French course qualified as bilingual. Do you know what it cost, Madam Speaker? DND has not implemented our recommendation to incorporate bilingual posting priorities. Although this course lasts a full year and costs over $80,000 per person, in 1990–91 only 66 per cent of its graduates were actually assigned to a bilingual position. Now you cannot tell me this is competence. Bring me the generals and I will sign the firing slip. Bring them to me. I am sure even the government House leader would like to sign a couple. It just does not seem possible they were not placed after spending $80,000 a person for the year. You have 9,000 anglophones taking the course at $500 million and after three years 75 per cent of them are still in the beginner's course trying to figure out how to print. Give me a break. There is $500 million for this and this government says it had to get rid of the Science Council because it cost $3 million a year. What about $80,000 a year to give someone language training? I get $62,000 a year and I get beaten over the head with baseball bats in my riding for being over–paid. Where are these guys on language training? What are they doing? Are they only learning the words: "Caviar, champagne please, where is my Cadillac, give me the keys, how soon do I get to retire?"

• (1210)

Give me a break. This government calls itself conservative. Conservative, my foot. It should be CI for conservative incompetents, not PC.

Let us look further to what the Auditor General had to say because there are plenty of areas to save money. Let us take a look at training.

The Auditor General says: "We recommended in 1990 that the department compare costs between its own school system, civilian colleges and institutes of technology". That is not an unreasonable request from the Auditor General of Canada on behalf of Parliament and the taxpayers.

By way of example, in 1990 we reported it cost $265,352 for a Canadian forces fleet school to train one marine engineering technician, while it cost $71,923 in the community college system just down the street.

Now who is kidding whom? Maybe these are the people who attend the $500 a plate Tory fund raisers. Did that ever cross your mind, Madam Speaker? It costs seventy thousand bucks to be trained at any college or technical training school in the country. What is the government allowing? These are Tory years, 1990, 1991, 1992. It costs $265,352, another two hundred grand, or 300 per cent more for Tory training. Canadians have to be outraged that the Science Council of Canada and the Law Reform Commission have been cut.

As I have said before, we know why a couple of the people in these institutions and on these commissions had harsh things to say about the government. This government is not fond of democratic institutions. We know that. Members' privileges are constantly being eroded. The rights of Canadians to have access to institutions they feel secure are at arm's length from the political process are being shot like ducks out of the sky by this government.

Where is it leading, we have to ask ourselves in this House? At least it is broadcast to a few people, and occasionally a few reporters watch this place and a few people listen and talk. But we have to ask, what is the underlying philosophy behind a political party that starts pulling the funding from independent institutions all over the country? We are doing six today and there are another 40 to go. We are talking lobotomies, guillotines, throat slitting and gut shooting.

Why is it doing this? It is not doing it for money. I just found the government somewhere in the neighbourhood of $20 billion in savings. I did this research this morning and found $20 billion. Where is the Minister of Finance? He should come in and give me one of the 125th medals so I could wear it around. They cost $1.86.

How can this government think Canadians are so gullible, stupid, unplugged and uncaring they would accept this kind of crap being peddled to us? Oh, we are getting rid of duplication. What about the 12 million crooked bullets? Can that not be stopped?

The Auditor General said: "Well, let us look again on medical care. This is something Canadians do care about". The DND medical support system costs at least $230 million per year. This is the Auditor General speaking. "Our 1990 audit recommended the National Defence determine the minimum dedicated medical support system needed in peace time". Now that is not unreasonable. Just figure out what your minimum needs are and start funding to that level. He found the department's peacetime medical system costs in our sample were 86 per cent higher than the average for similarly sized civilian hospitals.

Now you cannot just kick that under the rug and say it is because it is military. It seems to me that is inconsistent with what I have always been told by my father and my uncle who were both in the military. The whole idea of military systems is to run them as cheaply, efficiently and effectively as possible. And yet everywhere we look, after eight years, the Tories are lavishing and squandering. It is enough to make you economically bulimic, to think these guys are pursuing these kinds of completely irrational expenditures across the street.

Let us take another look at training, efficiency and economy. This is the Auditor General speaking: "In 1990 we found that 62 per cent of individual training delivered by the Canadian forces training system was not relevant to the trainees present jobs or it duplicated what they already knew". The training cost $165 million a year. We are training people who have already been trained. They already have their ticket. They have already been paid at that category. The military says: "That is kind of boring. What are you, an auto mechanic? Okay, go take an auto mechanics course and we will pay you to do that".

Does it not sink in? This is from the Auditor General. The training cost $165 million a year and these people are talking about increasing the level of expenditures to DND. I could go over there today and carve out $1 billion. I could probably carve out $6 billion of their $12 billion a year. It is incredible that this sacred cow hangs around.

The purchasing would make you gag. The department purchases the parts from the same company it buys the original equipment from. No one does that anymore. Just because you happen to buy a tank that has a Ford motor in it and you get sort of chummy with the guy who cut the deal, does not mean you have to buy all the parts from him forever and a day. It is like the rental of this building over in Hull. The Auditor General says it is crazy to have 10 and 20 year contracts for space where there is no competition. You just do not do that.

These are the people who are always saying: "Oh, Bob Rae, Mike Harcourt, Roy Romanow. Oh, scandal, New Democrats, incompetent". It is time Canadians knew the truth about the nine governments we have held in four provinces and Yukon. We have always done better than the governments that came before us and those that came after us. The years of Douglas and Blakeney produced balanced budgets, which are unheard of under the Tories and Liberals. Barrett in British Columbia, produced a balanced budget. However, the Socreds, Liberals and Tories say: "Watch out for the New Democrats. They have wild spending habits".

An hon. member: What about Bob Rae?

Mr. Fulton: What about Bob Rae? He is running a heck of a lot better government in this province than there ever was before.

An hon. member: He was deceived by the Liberals about the debt.

Mr. Fulton: Let us look at merit boards. It is obvious the Tories do not want to hear about their own incompetence. This is from the Auditor General. This is not NDP research.

Madam Deputy Speaker: I am sorry that I must interrupt the hon. member. The time for questions and comments has now expired.

Hon. Chas. L. Caccia (Davenport): Madam Speaker, an hour ago the parliamentary secretary and the hon. member for Peterborough was quite right when he said he had a hard job putting forward the first speech on behalf of the government in defence of this bill. This is corroborated by the fact we do not see a long line-up on the government benches of subsequent speakers on this bill as it is customary we rotate speakers from side to side. Obviously it is an extremely difficult bill to defend and I congratulate the member for Peterborough for his courage.

He based his whole reason for proceeding with this measure on the government's desire to restructure and streamline government, making it more efficient and eliminating overlap and duplication. One has great difficulty understanding how the government could be streamlined or made more efficient by eliminating the Science Council of Canada, the Law Reform Commission, the International Centre for Ocean Development, the Economic Council of Canada, the Canadian Institute for International Peace and Security and the Canada Employment and Immigration Advisory Council. It really boggles the mind that these are the objectives to be obtained and the goals to be reached by way of the premise given to us by the member for Peterborough. He went on to say that meaningful alternatives had not been offered at the time of second reading and in committee by those who oppose this bill.

• (1220)

Meaningful alternatives are offered every year. We just heard a moment ago of the reports produced by the Auditor General who every year points to the mistakes, sometimes in good faith, sometimes because of administrative shortcomings, sometimes because of inefficiency or incompetence, which are inherent in large institutions at times. Nevertheless the Auditor General points out every year and has pointed out to this government since 1984 opportunities to eliminate inefficiencies, to reduce overlaps, to deal with inefficiencies and duplications and to streamline government. The latest report by the Auditor General is a clear indication of that.

Alternatives do exist and for the life of me we cannot understand why the government has to proceed with Bill C-63 in order to achieve objectives that cannot be achieved through this bill. There is a contradiction here in terms.

What can be achieved in terms of efficiency by eliminating the Law Reform Commission? What can be achieved in eliminating overlaps and duplication by removing the Science Council of Canada? What can be achieved in streamlining government by eliminating the Economic Council of Canada? What is the logic of the government in terms of efficiency that can be achieved by eliminating the Canadian Institute of International Peace and Security or the Employment and Immigration Advisory Council? It does not make sense.

One has to conclude that what one is dealing with is a mind-set of a government which has decided that the role of government is to be compared to the role of a business and that the role of government has nothing to do with the public interest. It has decided that the role of government is not to pursue long-term goals and long-term public interest. It has to eliminate, where it can, institutions which may cause criticism, perhaps alternative viewpoints and produce them. It has to be obsessed with only one thing and that is the bottom line. That is not what the majority of Canadians expect the government role to be.

I suspect that the role the majority of Canadians expects the government to play is one of looking at the long-term, providing policy, doing the research that is necessary, and keeping the country united by way of very intensive intellectual work which is in great competition with other countries.

I would like to know of any G-7 country, which are the other industrial nations with which Canada is grouped, or any other country that belongs to the OECD, to which we also belong, that has done away with their economic council, or has done away with their science council, or has done away with their law reform commission.

No modern industrialized nation in its right mind would take a step like this. We are becoming the laughing stock abroad. Nobody understands why we are doing these things.

Let me give an example, one that I have not mentioned yet, and that is the elimination of the International Centre for Ocean Development. It was very revealing at the time of the announcement of this bill what its vice-chairman said in Halifax. Mr. Vandermeulen is quoted by Canadian Press as saying: "This is the only international assistance group in the world that was working in the fisheries field with small island states. The agency was founded in the early eighties to help developing countries in the South Pacific, the Caribbean, and Indian Ocean to manage their ocean resources after the Law of the Sea conference established the 200-mile limit".

Since fish do not respect political boundaries, if stocks are mismanaged by one country then the whole community pays the price. This was the role of the International Centre for Ocean Development: to help in the South Pacific, Caribbean and Indian Ocean states to develop their policies and it is gone.

In eliminating the Canadian Institute for International Peace and Security our critic, the member for Winnipeg South Centre, commented that the government "is intent upon snuffing out any kind of serious analysis of what is going on in the world". He may perhaps have attributed motives here, but one must say in all fairness that this institute has performed an extremely valuable role in providing government, Parliament and any agency interested in foreign affairs with in-depth analysis and alternative policies. We will not have that benefit any longer.

My colleague for Scarborough—Rouge River was quite right when he stated on March 10 of this year: "Agencies like the Science Council, the Economic Council, the Law Reform Commission, the Institute for International Peace and Security have provided valuable advice to the government and at a time when this country should focus on making Canada more competitive and better equipped and up to date, the last thing we should be doing is getting rid of them". Those are very wise words.

One has to put Bill C-63 in a broader context, and that is what has happened to Canada in the last eight years. It is part of a pattern, part of the Prime Minister's commitment to change Canada's face, as he stated back in 1984. He is certainly changing Canada's face. He is certainly maintaining his promise of doing that.

One has to look at this measure together with other measures that have been gradually introduced over the years. It started very slowly and unobtrusively with the cancellation of programs for youth. I must remind members of the cancellation of Katimavik which was very strongly resented by some of our most distinguished colleagues in the other place. It went on with the cancellation of Environment 2000, a youth employment program for the summer. Over the years it escalated into a number of other initiatives of which this bill is the last.

I just have to remind my colleagues about the virtual cancellation of social housing in our urban centres. Just to quote another example, I remind them of the cancellation of the Court Challenges Program. The list is pretty long.

Coupled with the cancellations were cuts and a reduction in responsibilities that were gradually put into place. Let my remind everyone of what has been done in reducing the role of VIA Rail in placing an immense burden on its operation, in reducing its ability to tie together communities across the nation, as only VIA Rail could have done. However it did not stop with that.

• (1230)

It reduced the mandate of the Canadian Broadcasting Corporation when it was announced by the government that the CBC should not pursue in its mandate the unity of Canada. That was a mind boggling announcement. The CBC was denied that mandate at a time, particularly after going through the referendum, when we very badly need institutions like the CBC and Radio-Canada to perform that bonding role of promoting and pursuing a sense of unity in the country. Its role is stressing what brings us together, what unifies us, rather than what makes us different from each other. The CBC and Radio-Canada could not perform during the weeks and

months preceding the last referendum as a result of a decision by this government.

Might I remind members of the cuts which were introduced in late 1984 and subsequently to the National Research Council which today operates on a very limited budget. Might I remind them of the fact that government contributions have been cut from the Unemployment Insurance Commission, thus severely limiting the funds available for the training of the unemployed, for the assistance to those who cannot find employment and may want to have an extension to the benefits they receive. In other words, the number of those who exhaust their unemployment insurance benefits and do not want to go on welfare has been reduced.

As a result of the cuts by this government, the unemployment insurance fund now can rely only on contributions by the worker and by the employer and no longer on the tripartite system we had of contributions coming from employer, employee and government.

The cuts and the denial of absolutely necessary budget increases to key departments like the Department of Employment and Immigration, the Secretary of State in charge of citizenship courts, the postal services, are just other indicators of how the government has gradually and systematically reduced the capacity of the federal government's employees to perform their jobs. What we have in our major urban centres are federal government offices, particularly in immigration, which are badly understaffed and badly overworked.

We have seen considerable cuts in the Department of Energy, Mines and Resources in the field of research and development, particularly in the field of research on renewal sources of energy. We have seen a shift almost entirely in favour of increasing Canada's dependence on non-renewable sources of energy which, as the name says, will exhaust themselves in due course. Also we have a very dangerous shift away from research and development on sources of energy that rely on biomass, solar energy and wind.

We have closed the consular offices in large numbers and reduced Canada's presence in a number of ways. We have reduced the support that the Government of Canada gives to non-governmental organizations. We have reduced the capacity of CIDA to perform its mandate with adequate funds in helping developing countries in relation to the problems of mounting poverty, famine and disruptions abroad.

In other words, the promise the Prime Minister made in 1984 to change the face of Canada is being kept. Bill C-63 is an emanation, an expression and a fulfilment of that promise.

What this particular measure does to the Canadian taxpayer must be put on record. The average Canadian taxpayer will be deprived of some valuable and important initiatives once this measure goes through. We will oppose it inevitably but the numbers will not be on our side.

The five-year plan by the Science Council of Canada to influence the direction of science and technology for Canadian prosperity and Canadian well-being has been abandoned. Its study and the plan which commanded attention were extremely well received when published and would fit perfectly into any long-term economic policy of any government. With the abolition of the Science Council, we can kiss this five-year plan goodbye.

Then there are a number of studies which were also launched and were in process by the Science Council, namely, a study on genetics in health care, the role of venture capital in financing new technology, and the relationship between technology and economic development.

I will conclude by referring to the fact that the Economic Council of Canada had published just before its abolition a study on the economics of health care, a study on the economics of education, and an analysis on the impact of government on competitiveness.

The Law Reform Commission by virtue of its abolition has had its ongoing recodification of the Criminal Code of Canada frozen. The ongoing recodification will no longer be carried out as well as the completion of studies related to human rights, protection of life and administrative law.

Time does not permit me to elaborate on what is going to be lost as a result of this measure. I have no doubt that Bill C-63 will do profound damage to the fibre of Canada and to its ability to renew itself and to face emerging problems.

Not only that. It is also putting Canada in a position of great weakness. By the disbanding of these very important bodies we are losing the intellectual power and intellectual capital that these bodies represented and were able to produce on behalf of and for the benefit of present and future generations of Canadians. This is a very regrettable step. It is our hope that the government will reconsider it.

• (1240)

Mr. Derek Lee (Scarborough—Rouge River): Madam Speaker, this is a wonderful opportunity for me to put a question to the member for Davenport. He may be in a very special, if not unique, position to answer it. It has to do with the role of independent advice to government. That independent advice and direction are products of many of these agencies we are dealing with.

The hon. member for Davenport has been a government minister as well as an opposition member. The opposition in Parliament, not being as well resourced as government is on a day-to-day basis, benefits as much from the independent advice and spade work of these agencies as does government.

I would like the member to comment on his own experience. As I have never served as a cabinet minister, I am curious about just how realistic my view has been that this kind of independent advice is useful to government. How effective is it? Is it money well spent? Maybe government never listens to these things. Maybe just the opposition does.

I would like to ask the member in his experience, with reference to, for example, the Canada Employment and Immigration Advisory Council, the Economic Council of Canada, the International Centre for Ocean Development and the Law Reform Commission, any of these, how has he viewed the function of independent legal advice? Is it useful? Is it essential? How would he respond to that question?

Mr. Caccia: Madam Speaker, the answer is yes, it is extremely helpful. It is helpful both directly and indirectly.

It is helpful directly because it has an impact on the bureaucracy and the members of cabinet of the day. Collectively they have to take into account very seriously alternative proposals and plans that are being made by independent agencies of the kind the member mentioned.

It has an effect indirectly because these reports impact on the composition of editorial writing of the intellectual and political community across the nation and not just in Ottawa. They provide food for thought, so to speak, for all those who are interested in policy development. Therefore, the policy development process is enhanced, enriched and widened. In the end the policy product the government announces is much better than without this kind of advice.

I would like to congratulate the member for Scarborough—Rouge River. In his statement of March 10 from which I am reading, he did stress the importance that governments should be nurturing and taking advice from these valuable agencies.

Ms. Mary Clancy (Halifax): Madam Speaker, I am very happy to take part in this debate particularly having had the opportunity to listen to my colleague, the hon. member for Davenport, and to say that I agree most whole-heartedly with the remarks he has made.

We on this side of the House are not opposed to the elimination of those bodies that no longer serve a public policy purpose. That is sensible and that is the norm for governments. However, we do stand opposed to Bill C-63 and to the elimination of a number of bodies in this country that not just serve a public policy purpose but serve a crucial public policy purpose.

In a country such as this one where literally all of us, even the native peoples, came from somewhere else originally, one of the unifying factors of this country is the desire for knowledge, the pure desire to know if you will, the respect for learning, the respect for lore that is garnered through experience, through research, through academic endeavour, through think-tanks, whatever. It is one of the things, I believe, and I know my colleagues on this side of the House believe, that makes Canadians again just a little bit different, just a little bit distinct from our neighbours on this continent.

All of us in this small country of ours, small in the sense of population, have been justly proud of organizations such as these that we now preside over the dissolution of.

There is a reason for everything this government does. It may not be a particularly good reason and as a matter of fact it usually is not a very good reason. However, I think the reason behind Bill C–63 and the dissolution of these bodies is particularly pernicious.

It is widely perceived that the elimination of organizations such as these which continue to serve a crucial public policy purpose is an attempt by this government to silence its critics on the right, most particularly its critics in the Reform Party. Indeed, many of this government's actions have been and continue to be guided by the desire to recapture the votes and loyalty of their own disaffected members who moved, yet again, to the right. What is happening because of this? As a country we are becoming hostage to a fringe party on the outer edge of the political spectrum.

Let us talk about the specific organizations we are going to lose when this bill becomes law because of the government's majority.

Let us first of all look at the Law Reform Commission. What kind of a country does not have a law reform commission? What can we expect in the area of developing legislation, in the area of far–seeing legislation, in the area of legislation that might anticipate our movement toward a global economy, toward a very different kind of life that Canadians are going to be dealing with in the 21st century, when the Law Reform Commission which is set up to develop and to bring forward the kinds of ideas that can help us make these transitions to the incredible speed of change in our modern society, is being thrown out, being wasted, being closed down?

What can we say about a government that deems all of the references to the commission to be references of the Crown, that confers the authority to close out the affairs of the commission to the responsible ministers and that repeals their constituent acts? We can say it is a government that is afraid to be told what it needs to do for the betterment of its people.

An hon. member: Shoot the messenger.

Ms. Clancy: Are you referring to me?

An hon. member: No, no.

Ms. Clancy: Good. I will come back to the Law Reform Commission later in my remarks.

I want to speak a little bit now about the dissolution of another organization that is particularly close to my heart as the member for Halifax, because this act also dissolves the International Centre for Ocean Development.

Again this is something that is going to be extremely hurtful for Canadians and has already been hurtful for Haligonians in the loss of jobs. We have lost people and not just from the region. I know a number of people who were involved with ICOD have left Halifax and gone to other organizations in Canada, but worse than that, a number of people have left ICOD and gone to organizations in other countries.

We have lost people with a specified area of expertise in ocean studies. We should be one of the ranking countries in the world leading the way in ocean development and we have lost these people. I have friends who were with ICOD in Halifax and are now in the South Pacific, in Australia, in the Far East, where governments are prepared to spend some money on the theory of ocean development. Here we are, a country with three oceans, and what are we saying? We are saying we are closing it down. It is a shame and a scandal but it is exactly what one has come to expect from a government that does not merely wear blinkers but a blindfold.

• (1250)

The Law Reform Commission has been totally shut down. It no longer exists. It is inconceivable that a government that is as committed to making Canada more competitive as it says it is would axe those agencies which provide us with an edge, which provide us with the data, analysis and direction which a modern country like ours so desperately needs.

Let me talk about two other bodies we are losing through this bill, that we have already lost: the Economic Council of Canada and the Science Council of Canada. They were years ahead of politicians in tracking economic and scientific trends world–wide, in illustrating the consequences of these trends for the Canadian economy and Canadian society, and in offering solutions to deal with the problems that would be created.

They are gone. Why? Why are they gone? What does the government see that will replace the development in policy areas of these organizations? With the greatest of respect to my colleagues on the other side of the House, is it going to come from their caucus? Is it going to come from that cabinet? I do not think so. I have not seen anything that would lead me to think that we could get anything in the realm of public policy that might help from that side of the House.

I might add that on this side of the House we would never be so presumptuous as to think that could happen. That is not what we are for, that is what these organizations are for. The fact that Canadians will no longer have the benefit of these organizations is a shame and is tantamount to public scandal.

It is deceptive and downright irresponsible for this government to deny that Canadian society reaped tremendous benefits from the small amounts of money that were channelled into these agencies.

There is an old expression: penny wise and pound foolish. This government has been pounds and pounds and pounds foolish.

Let us go back to the Law Reform Commission for a moment and look at some of the things that the Law Reform Commission did in 22 years, from 1970 to 1992. It put out 32 reports, 61 working papers and 76 studies containing a vast spectrum of recommendations covering Criminal Code reform, hate propaganda, plea bargaining, safeguarding genetic heritage, pornography, euthanasia, sexual assault, arson, mental illness, and on and on and on.

As of 1990, Law Reform Commission studies have been cited in 211 Canadian court decisions, 39 of which were in decisions by the Supreme Court of Canada.

That is hardly an example of minimal impact on the people of Canada. That is hardly an example of an organization that did not give value for money. That is hardly an example of an organization that is not vital to the continued health of the legal system in this country, of the judicial system in this country, and indeed the continued health of the citizenry of this country, in a legal sense.

As a result of the dissolution of all these bodies Canadians will be deprived of the following studies that are of great importance to the development of our country: studies relating to the relationship between technology and local economic welfare, a study entitled the "Economics of Health Care and the Economics of Education". How many times have we sat in this Chamber and heard our colleagues on all sides talk about the absolute necessity of education if we are to compete in a global economy?

How many times have every one of us heard, from the Prime Minister on down, about the sacred trust of our social programs? What is the jewel in the crown of our social programs but health care and medicare? Yet an organization that gives us a study on the economics of health care and the economics of education is trashed by this government. That does not show a whole lot of sense. I am not sure what it does show. I know that it does not show a true concern and care for what is in the best interest of the people of Canada.

Another study that we are losing from the Economic Council of Canada is an analysis of the impact of government on competitiveness. I can imagine why the government dissolved the Economic Council given the title of the study and given the impact of this government on every aspect of the economy in this country. It is an old and tired government that does not want to hear the bad news and does not know how to create any good news.

Another study, from the Law Reform Commission, concerns the ongoing recodification of the Criminal Code of Canada. Where does that leave us? There are studies relating to human rights, to the protection of life and studies relating to administrative law, again from the Law Reform Commission. A vacuum has been created and there has been nothing from this government to show that there will be anything to fill that vacuum.

With the proposed elimination of the Law Reform Commission of Canada we will become one of only three Commonwealth countries without an independent law reform body. The other two are Bangladesh and Zimbabwe.

The Minister of Justice has been trying to silence the Law Reform Commission since 1990 by leaving it without a quorum for two years, which has made it impossible for the commission to approve any reports that would have suggested changes to federal legislation. That shows a level of irresponsibility that is almost unique in the history of this country. Yet we are told by that minister and by other ministers that the decision to close this think-tank is simply a dollars and cents decision.

The minister has said that we have to ask ourselves at this time and in our fiscal situation what can we afford to do. She refers to the Law Reform Commission as a Cadillac approach to legal research. She may call it a Cadillac approach but she has not even left the people of Canada with a horse and buggy approach to law reform.

We have to ask ourselves questions parallel to that question posed by the Minister of Justice. Can we afford not to have a Law Reform Commission? Can we afford not to have an International Centre for Ocean Development? Can we afford not to have an Economic Council? Can we afford not to have a Science Council? Can we afford not to have a country? Can we afford not to have those component parts that decide public policy? Is this government so bankrupt of ideas, so bankrupt of memory of the traditions of this country?

Mr. Volpe: Yes.

Ms. Clancy: The hon. member for Eglinton—Lawrence says "yes", and he knows I agree with him.

The answer is yes, this government is just that bankrupt. This government is just that cavalier about taking these component parts of the public policy process in this country and throwing them out. It is a cliché to talk about throwing out the baby with the bath water, but that is clearly what the government has done in this case.

The government is not doing anything near an adequate job in dealing with the economy. Everybody knows that. President-elect Clinton had a big sign in his office in Arkansas that said: "It's the economy, stupid". We all know that. Somehow that message has not got through to the people across the floor.

We cannot create legislation or policy in a vacuum. This government has created an intellectual vacuum in this country, and I suggest that in days to come the members of this government led by these ministers will be referred to as the intellectual Luddites of Canadian history.

It is a tragedy that Canadians will not be able to recover quickly from the devastating policies, the ridiculous decisions and the terrible cancellations that this government has hoisted upon us.

[*Translation*]

Madam Deputy Speaker: It being one o'clock, I do now leave the Chair until two o'clock.

The House took recess at 1 p.m.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

POST-SECONDARY EDUCATION

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, this government continues to claim that it is fighting for accessible post-secondary education. Yet the Auditor General's report tells us otherwise.

Here is just a sampling of some of the areas of the Canada Student Loans Program in which the Auditor General gives the government a failing grade.

[*Translation*]

In 1990 the Auditor General noted that national post-secondary education objectives had not been clearly defined. Two years later these national objectives have yet to be set. The department has not produced an annual report on the Canada Student Loans Program since 1988. While the department has taken some minor remedial steps, much remains to be done to officialize and implement federal-provincial agreements and improve the management information system for student loans.

[*English*]

I strongly urge the government to undertake a full review of the Canada Student Loans Program and take action toward making education accessible to all Canadians.

[*Translation*]

COMMUNITY HEALTH SERVICES

Mr. Marcel R. Tremblay (Québec–Est): Mr. Speaker, I would like to report to this House the findings of research on community health services users.

The study revealed an underuse by young women from financially underprivileged families of the services provided such as prenatal programs. While teenage girls are more vulnerable, they do not show a marked interest in the content of community programs. They seem to consider that this model fits neither their values nor their ideas.

I think it is essential to create awareness for people to know what means are at their disposal.

* * *

[*English*]

WATER DIVERSION

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, some bad ideas never go away.

Mr. Frank Dale, president of the Los Angeles based Foundation for Water and Power for North America, has started promoting the old idea of flooding the Rocky Mountain Trench to provide water to the United States. The plan is to direct water from Alaska through the river systems of British Columbia to the U.S.

I spoke to Mr. Dale last night and he is proceeding with plans to hold a conference on February 15 of next year in California to promote this idea.

Along with this issue there are other water diversion projects we are concerned about like Alcan's Kemano project and the plan to divert water from the North Thompson River in B.C. into the Columbia River system.

This government has already sold out our forests, our farms and our fish. Water is our life-blood. I call on this government to state categorically that our water is not for sale.

* * *

BILL C–91

Mr. Stan Wilbee (Delta): Mr. Speaker, one of the very positive aspects of the drug patent bill, Bill C–91, is the significant impact it will have in the area of medical research. I am especially encouraged to learn of the positive effects it will have on research facilities such as the University of British Columbia.

In 1987 changes made to the Patent Act under Bill C–22 triggered one of the largest research and development expansion programs in medical research history. Annual research and development spending by the pharmaceutical industry soared from $102 million in 1987 to $286 million in 1992.

Recently following the government's endorsement of the GATT proposal to eliminate compulsory licensing and the tabling of Bill C–91, forecasts for new research investments are over $400 million.

Bill C–91 will mean more R and D jobs for companies, hospitals and universities like UBC. More and more of our Canadian university graduates will be able to find research jobs in expanding Canadian fields. It will also increase the odds for Canadian people suffering from medical ailments for which there are no cures. We must step up our efforts in medical research and Bill C–91 will certainly assist in this regard.

* * *

HUMAN RIGHTS

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, Canadians and the world have watched with deep concern reports of racist, anti–refugee, anti–ethnic, anti–Semitic attacks in Europe. While it is unfair to let the violent actions of a few characterize a whole society, these unprovoked acts remind us of how important it is that racism be turned back wherever it rears its ugly head.

As we learn from history, if such attacks go unchecked they inevitably lead to far greater consequences. Remember, silence breeds complacency and it must not be left to stand.

Reports that neo–Nazi violence in Germany has resulted in murder arouse terrifying memories. Where will it stop? Along with all Canadians, let us be vigilant at home and abroad against racism of any kind. It goes against basic Canadian values, respecting differences of race, religion, gender and language. As Canadians we must speak out against acts of human hatred wherever they occur in this world.

S. O. 31

CRIME

Mr. Walter Van De Walle (St. Albert): Mr. Speaker, Canadians in general and the residents of the federal riding of St. Albert in particular are becoming increasingly concerned about the rising crime rate in our neighbourhoods.

At the national level we have been working hard to make Canada a safe place to live, implementing the national drug strategy, firearms safety regulations, the Young Offenders Act, the rape shield, the Extradition Act, and corrections and conditional release acts.

This is not enough. This past summer I convened hearings on law and order in my riding. The consensus: There is a great deal of work to be done to ensure our criminal justice system is more responsive to the needs of our citizens. There is a great concern for the victims of crime and the inadequacy of the Young Offenders Act.

On behalf of the constituents of the St. Albert riding, I urge the provincial and federal governments to act.

* * *

AIRLINE INDUSTRY

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, the deregulation of Canada's airline industry has not worked. In fact the Tories' vision of cut-throat competition has brought both Air Canada and Canadian Airlines to the brink of disaster.

Deep in his heart the Minister of Transport knows that the airline industry must be re-regulated, but tragically he cannot bring himself to say the *r* word. Instead, he suggests that they might recalibrate the transportation policy framework within which the airlines operate.

According to Roget's Thesaurus two of calibrate's synonyms are grade and measure. Does the minister want to grade or measure the airlines? To grade is to classify, differentiate, incline, level, order, size, smooth or sort. Which of these does the minister have in mind for the airlines? If the minister is to measure the airlines, does he want to calculate, compare, fit, gauge, judge, number, quantify or average them?

I have a suggestion for the minister. He should admit that deregulation has created chaos and then admit that whatever word he uses, the airlines must be re-regulated so they can compete and survive on a rational basis.

[*Translation*]

* * *

OSTEOPOROSIS

Mrs. Gabrielle Bertrand (Brome—Missisquoi): Mr. Speaker, November is National Osteoporosis Awareness Month.

A number of people, and I am one of them, are familiar with this health problem, while others are not. Osteoporosis thins the bones and makes them brittle so that they fracture easily. In many cases it can cause serious incapacity, and it can even be fatal.

Educating the public is important, and the Osteoporosis Society of Canada has been doing this since 1982. The funds collected by this organization are also spent on the research that is essential to fight this disease.

The federal government also supports the Osteoporosis Society of Canada through its subsidy program for national volunteer health organizations.

The many volunteers who play an important role in our society are to be commended for their dedication. Thanks to them, the quality of life of people afflicted by this health problem has improved. I urge you all to take part in the activities organized this month to increase public awareness of this health problem.

* * *

[*English*]

TRANSPORTATION

Mr. George Proud (Hillsborough): Mr. Speaker, I rise today to call on the federal government to shelve the report of the royal commission on transportation.

This report is an insult to every Canadian outside the central Canada corridor. This report ignores the essence of Canada and will put this country, which was once united by the national dream, to the point when we were little more than isolated pockets of population forced to look south rather than east to west.

If a family of four left P.E.I. by car today to go to New Brunswick, it would cost approximately $50 to take the car ferry. If this government implements this report, who knows how much it will cost tomorrow.

Canadians have come to believe in the sharing of responsibility and the sharing of costs which are necessary if this country is to continue as a united entity. It will not do so if the federal government allows the weaker and poorer regions of Canada to wither and die.

• (1410)

I call on the government to reject this report out of hand and reaffirm to Canadians that by living in this great nation they will continue to receive the same rights and privileges regardless of where they reside.

* * *

PEACEKEEPING

Mr. Garth Turner (Halton—Peel): Canada comprises less than 1 per cent of the world's population, and yet at this moment our brave troops are fulfilling 10 per cent of all peacekeeping missions around the globe.

While we are very proud of the thousands of men and women who are on those duties, saving lives and sometimes even saving countries, Canada is serving beyond its capacity. If we are to continue in this role then a few common sense things have to happen. First, the United Nations should immediately pay Canada the millions of dollars it owes us so that we can keep our troops in place. It is unfair to ask Canadian taxpayers to do it all. Second, it is high time other countries paid their fair share. Large and wealthy nations which do not now supply the UN troops should not only do so, but they should help underwrite the major costs of Canada's efforts.

Finally, it is also time that our peacekeepers got the heck out of Cyprus. For 28 years now Canadian taxpayers have kept troops in place there and that is surely long enough.

I call on the government to end this mission now to make sure that Canada's brave troops are used efficiently, effectively and in a manner that is fair to the citizens at home who support them.

STUDENT GRANTS

Mr. Mac Harb (Ottawa Centre): Today the NDP government has decided to scrap the Ontario Student Association grant program. This action is shameful. Without these grants many students will be forced to abandon their education.

During the last provincial election the NDP government promised to increase funding for education. Once elected, the NDP betrayed the students and their families by reducing funding for education.

I call on my colleagues to deplore this brutal NDP attack on Ontario colleges and universities and this horrendous assault on access to education. This policy shows that the students are not a priority of the NDP. It simply shows that the NDP do not understand the needs of the students.

Canadians must be aware of the NDP strategies. They make promises to the people but they never follow through with action.

Shawn Rapley, a Carleton University student president, is outraged and Ken Craft, chairman of the Ontario Federation of Students, is appalled at the decision. He said: "They are supposed to have vision, but this vision ends at the end of their nose".

The NDP plan to put an end to student grants is socially and morally regressive and irresponsible. This is another NDP action against something they once said they supported.

If the NDP think this is a solution to bringing its debt under control, they are mistaken. This is not a solution, it is a short-sighted abandonment of our young people, of our educational institutions, and of this province's future.

* * *

VICTORIA CROSS

Mr. Doug Fee (Red Deer): Mr. Speaker, this week has not provided many examples of co-operation in this place. Indeed visitors and those watching our proceedings may question if there is ever any co-operation here. Well, there is, and I would like to thank all members for one good example.

Earlier this week members of this House gave unanimous consent to declare votable my private member's bill seeking to re-establish the Victoria Cross.

In addition to speeches of support from colleagues on the government side of the House, both the Liberal and New Democratic critics for veterans affairs spoke in favour. The New Democratic Party's critic, the hon. member for Regina—Lumsden, felt strongly enough that

he made an impassioned speech even though he was in considerable physical distress. I understand the hon. member's back pain required his admission to hospital the very same evening. I suspect that he is going to be following the proceedings from his hospital bed. I want to thank him for his support and I am sure on behalf of all members of this House also extend our sincere best wishes for relief and recuperation and an early return to health.

* * *

BAHA'I

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, this week over 30,000 members of the Baha'i faith from around the world have gathered in New York City for the second Baha'i World Congress and to commemorate the 100th anniversary of the passing away of their founder, the Baha'u'llah.

Central in the Baha'i teachings are the unity of religions and the unity of all peoples. The Baha'is believe that all of the great religions teach an identical and universal truth. They also believe in the equality of the sexes and the oneness of all people.

The Baha'is take great effort to live their lives in accordance with their beliefs. They work selflessly for the eradication of racial, class and religious divisions and prejudices.

Due to their beliefs, they have suffered much persecution in the 100 years since the founding of their faith. Yet in the present world of terrible racial and religious wars and strife, their message is one of hope. They have faith that a new world order of equality, social and human justice, will prevail. They have faith in the inherent goodness of all people and the awakening of that goodness in us all. It is a very contemporary message needed to be heard in these troubled times.

SEXUAL OFFENDERS

Mr. Al Johnson (Calgary North): Mr. Speaker, I was outraged to read on the front page of today's *The Globe and Mail* of the planned release of convicted paedophile Wray Harold Budreo.

This dangerous offender is to be released tomorrow as a result of the decision by the National Parole Board despite the fact that this decision was not supported by Budreo's case workers. These professionals are as aware as I am that sexual offenders are highly likely to reoffend.

Children are the most valuable and vulnerable citizens of our country. As such we must make every effort to protect them from threats to their safety.

The parole board seems willing to acknowledge that this paedophile with a 30-year record of repeat offences may again reoffend, but it seems to believe this will not cause serious harm. When a child is molested serious harm is done.

Our Solicitor General has said that "protection of society is more important than giving another chance to these individuals who just cannot be rehabilitated". I strongly urge, even plead with him, to do everything in his power to overturn this decision of the parole board and to do what he knows is right.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

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

A lot of people thought there would be economic instability after the referendum. For two weeks it was very stable. Suddenly, 10 days ago, the Prime Minister made a speech and said he would stay the course. Then confidence went away completely. The dollar has fallen and interest rates have gone up by almost 3 points.

When will the Prime Minister instruct the Minister of Finance to stop this crazy policy of fighting inflation at all costs and introduce a policy that will create growth and hope in our nation?

Right Hon. Brian Mulroney (Prime Minister): The idea of suggesting that we should stop fighting inflation is one that would only be applauded by the Liberal backbenchers. In point of fact, in any of the great trading nations that have enjoyed economic resurgence, be it in Germany or in Japan, their success has been built on low inflation.

When my hon. friend was the minister, inflation went to 12.9 per cent. It bloody well just about killed the Canadian economy. That is why we have had to fight and work so hard to bring it down to 1.3 per cent.

Low inflation is an important pillar upon which economic resurgence can take place. Growth and productivity, which is up 5.2 per cent this year, is another important one. Relative unit costs are down by almost 5 per cent over last year. These are all very important factors.

If my hon. friend has some specific ideas as opposed to these easy slogans, let him stand up now, stop the criticism, and give the Minister of Finance the benefit of his wisdom.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, going back to the years when I was Minister of Finance, I am the only one who, over 20 years, had no growth at all in expenditures over a two year period. However, I am not here to talk about 1978 or 1869. I am here to talk about 1992 and 1993.

In case the Prime Minister thinks I am alone in what I am saying, yesterday I quoted *La Presse*. Today I will quote, not a socialist rag, but *The Financial Post* and not Bob Rae's economic adviser, but Diane Francis: "High interest rates have been killing enterprises, strangling the economy, aggravating government deficits, boosting our current account deficit, causing higher taxes, and throwing people out of their jobs. Individuals and businesses, big and small, are being crushed in a vice".

When will the Prime Minister realize the time has come to swallow his pride? When will he realize it is time to have a policy that makes some sense and that will be conducive to creating growth in Canada so that the Canadian people can work and have the dignity of working?

Right Hon. Brian Mulroney (Prime Minister): What would that policy be? My hon. friend criticized low inflation in his first question. Now he criticizes interest rates when he was part of a government that had interest rates at 22.75 per cent and we reduced them very substantially to 9 per cent.

• (1420)

As my hon. friend knows, the genesis of the problem in public finances is overspending by governments. There is no question about that. When governments spend too much money, much more than they bring in, eventually the problem grows and it suffocates economic growth.

My hon. friend made a statement that there was no growth at all in public expenditures when he was there. He was President of the Treasury Board between 1974 and 1976 and spending increased 33 per cent. Government spending increased 33 per cent in two years and in that time he entered the history books by saying that a 16 per cent spending jump was great restraint.

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, at the time my neighbour here was not even a Canadian. He was in Lebanon. I suggest we stop talking about the past and concentrate on what is happening today.

In the same article in *The Financial Post*, it says that because of this policy of fighting inflation at any price—I never said we should not fight inflation at all—more than $50 billion has been added to Canada's debt, which means that today, the government has to pay $5 billion every year in interest charges because they fought inflation at the wrong time.

Is the Prime Minister finally going to realize the kind of situation the country is in today? When will he wake up and give Canadians jobs, with a policy based on economic growth?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the International Monetary Fund says that next year Canada will have the highest rate of economic growth in the industrialized world.

Some hon. members: Oh, oh.

Mr. Mulroney: But that is not important, of course.

The International Monetary Fund also says that next year, the inflation rate in Canada will be the lowest of any major industrialized country. And far more important, the International Monetary Fund states that next year, the rate of economic growth, the rate of job creation in Canada will be the highest of all the G-7 countries.

I think that today my hon. friend will have to admit that despite all the problems in the industrialized world, despite the major problems facing Japan, France, Great Britain, Germany, and other countries, despite this international trend, Canada is comparatively well off, and I say comparatively. It is basically thanks to our focus on policies to maintain inflation at manageable levels while constantly improving our rate of growth, and it works according to our national indicators.

* * *

[*English*]

REPORT OF THE AUDITOR GENERAL

Mr. Douglas Young (Acadie—Bathurst): Mr. Speaker, the Auditor General in commenting on loopholes in tax rules for foreign affiliates of Canadian corporations states that "it is reasonable to conclude that hundreds of millions of dollars in tax revenue have already been lost and will continue to be at risk".

Does the Minister of Finance realize that in saying, as he did yesterday, that there is really no conclusive evidence that the amount of money identified as being lost by the Auditor General can be substantiated, that he is doing an enormous amount of damage to the credibility and integrity of one of the most important institutions in the Canadian parliamentary system of government: the Office of the Auditor General?

Is the minister prepared to review those comments in the light of the kind of damage he can do to one of the few remaining respected institutions in this system?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I want to assure the hon. member and all members of the House that I in no way want to undermine the integrity and the importance of the Office of the Auditor General.

I agree whole-heartedly with the hon. member. I was simply quoting from the departmental response contained in the Auditor General's report which says that the claim as yet has been unsubstantiated.

We are prepared to sit down and review this situation with the Auditor General. Obviously this issue will be before the public accounts committee where it can be fully explored.

If there are some realistic proposals that can flow from this particular finding, I am prepared to look at them. However, I want to reiterate that the Office of the Auditor General is an important one in our parliamentary system of democracy and I in no way want to be associated with undermining the integrity of that office.

Mr. Douglas Young (Acadie—Bathurst): Mr. Speaker, in light of the minister's response, would he then be prepared to acknowledge to the House that unlike the response contained in the Auditor General's report from the Department of Finance, this Auditor General is not the first Auditor General to bring up this matter?

In fact Auditors General have been requesting these changes to the tax legislation since 1987 to reassure Canadians that at least the Office of the Auditor General still retains the respect of the government.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, indeed so. The government Whip has just indicated to me that this issue has already been raised in the public accounts committee. I think there is general agreement to proceed with a full examination and to explore all the evidence and all the background with respect to this. We will certainly co-operate fully.

* * *

DRUGS AND PHARMACEUTICALS

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, my question is for the right hon. Prime Minister who often comments on the value of competition in the effort to keep consumer prices in line.

Does the Prime Minister really believe that it is in the best interests of Canadian taxpayers and Canadian consumers to have a policy that would see the foreign multinational drug companies have an exclusive monopoly on the discovery of new drugs enabling them to charge excessive prices then to consumers? Does he really think that this is in the best interests of Canada, Canadian consumers and the Canadian health system?

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I am very surprised to listen to that because when Bill C-22 was put in place in 1987 there was an increase of 2.9 per cent in patented drug prices and we had a price index increase of 4.4 per cent. We were far below this increase.

[*Translation*]

I must also say that there are more than 2,000 patented medications now on the market which can be copied because their patents have expired. Fifty to seventy patents expire every year and the drugs can then be copied by generic drug companies.

That being so I think that increases in the price of patented medicine in Canada have been kept below the rate of inflation. In my opinion this has been a fair and equitable policy for Canadian consumers.

[*English*]

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I would think the minister would know that as far as Canadians are concerned, all they see are drug prices escalating. They are continuing to go up in spite of the kind of rhetoric he is able to perpetuate here in the House of Commons.

The right hon. Prime Minister will know that for decades the American drug lobby has been pushing Canadians to give away our fair generic drug programs. Finally, with the Canada-U.S. trade agreement they got there half way.

Now under NAFTA one of the conditions is that they go the rest of the way. As a matter of fact, the other half is being sold out in section 1709 of the impending North American free trade agreement.

Will the Prime Minister confirm that section of the North American free trade agreement will prevent any future Canadian government from changing legislation and restoring the right to issue licences for generic copies of patent medicines?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, everyone knows, and the hon. member should know, that compulsory licences were an exception to patents which throughout the industrialized world are valid for 20 years.

Because the government instituted a fair policy to match that in other industrialized countries, drug companies have invested over a billion dollars since 1987. When we announced changes through Bill C-91, $500 million in investment and job creation were announced.

Last night on the television news Mr. Durivage of Radio-Canada said: "Five years after Bill C-22 passed, the gloomy scenario predicted by this bill's opponents has not occurred. The price of patented medicine increased by only 3.3 per cent". That is the reality.

• (1430)

[*English*]

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, my supplementary question is for the minister. Only the minister, his government and the pharmaceutical industry would refuse to admit that the anti-generic drug policy will cost the already beleaguered health care system across Canada hundreds of millions of dollars.

The ministry of health in the province of Ontario calculates that its taxpayers in that one province will be loaded with an extra billion dollars in extra costs over the next decade. Will the minister and his government, rather than trying to support the multinational drug companies, stand up for the health care of Canadians and say no to the multinational drug companies?

[*Translation*]

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, it is incredible that a member of this House cannot use more accurate information when he talks about health care costs. He should know that patented medicine accounts for only 3 per cent of all the medication used in Canada, so 97 per cent is not subject to the bill he is referring to.

[*English*]

Before saying anything about the health care system, make sure you have good information, please.

* * *

[*Translation*]

TAXATION

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, my question is for the Minister of Finance. Since 1986, the Auditor General has recommended that the Minister of Finance eliminate tax loopholes for affiliated foreign corporations. In 1988 when general anti-avoidance measures were introduced the minister did not deal with the problem.

Why does the minister continue to say that he has no money to announce an infrastructure program that would give thousands of Canadians work, while he continues to make gifts to multinationals that do not pay Canada a cent of tax?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I answered that question and I have nothing further to add.

I thought I responded to his colleague indicating that we are prepared to sit down and examine this in full detail with the Auditor General. As I said, in the Auditor General's report there is no substantiation of this. We will sit down and co-operate fully with the committee in exploring this issue.

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, this has been going on for six years, since the first report on this matter from the Auditor General. In 1988 the government did not address this issue. In 1992 the Auditor General tells us that $92 billion in investment was given and interest was deducted from those investments which created $4.2 billion of dividends without paying one cent of tax to Canada. Why do ordinary Canadians have to pay high taxes and multinationals pay no taxes?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, as I said yesterday and earlier, the government has introduced the general anti-avoidance rule into the income tax system. There have also been a number of loopholes closed that were left by the previous Liberal administration which were costing taxpayers billions and billions of dollars. We took action on that. We have closed loopholes and we will be prepared to close further loopholes if there is clear evidence.

* * *

AIRLINE INDUSTRY

Mr. John Manley (Ottawa South): Mr. Speaker, my question for the Minister of Transport concerns the $50 million in financial assistance offered to Canadian Airlines this week.

I would like to know why the government will not disclose the conditions that have been imposed on that loan. Why has the government not tabled a copy of the loan agreement in the House of Commons? I would like to know whether the real purpose of that loan is to buy the silence of PWA Corporation while the government pursues a one airline objective?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, if the member is really intent on saving 16,000 jobs in a region of this country, he should be very careful about what he says. This is not a joking matter. This is a very serious matter.

We have gone into this to save that company by asking them to take some very drastic action. In order to get access to mathematics and figures of the company we entered into a confidential agreement which we will not divulge until the appropriate time.

Mr. John Manley (Ottawa South): Mr. Speaker, we are treating this very seriously. Clearly if this loan was given on the condition that PWA will not ask for any further assistance, then it is the largest payment of hush money in the history of Canada.

Two days ago the Minister of Justice acknowledged outside the House that it may be necessary for further loan guarantees to be given. If that is the case, why will the Minister of Transport not acknowledge that more has to be done if there are going to be two profitable national airlines competing in Canada?

[*Translation*]

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, we made it quite clear that our main reason for deciding to intervene was the strong employee involvement in efforts to save the company. We agreed to provide one-time financial assistance totalling $50 million, so that the other partners, provincial governments and creditors would also be involved in a solution originating from inside the company, through restructuring and reducing debt, making this a concerted effort on the part of all those concerned about saving Canadian Airlines/PWA.

[*English*]

TAXATION

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, yesterday I asked the Minister of Finance a question about legislation that was tabled in the House today. He was distracted by something else that I said and did not get around to answering my question. I want to give him another opportunity today.

Would the Minister of Finance be prepared, in order to show credibility when it comes to deficit reduction and to sharing the burden of that deficit reduction fairly, to withdraw the legislation which was tabled today having to do with extending the 21-year tax exemption for private family trusts in this country, what some of us have come to call 'the Upper Canada College clause', and show Canadians that this government does not exist just to give tax breaks to the wealthy in this country but that everyone is expected to pay their fair share?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the implication of the question is totally and grossly distorted and I disagree with the observation that the hon. member has made. Therefore on the basis of that illogic, I would not propose to honour his request.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, time and time again I have asked this question in the House and I have not been able to get any Minister of Finance to directly address this particular loophole, to justify it or to even mention it.

Do you know what? It is a big, dirty, dark secret what is going on in this country, the way the rich are looked after particularly by this government as they were before by the Liberals.

The money estimated to be tied up in these trusts is in the billions and billions of dollars. If he is serious about reducing the deficit, will he not withdraw this legislation? These people have had 21 years to get ready to pay this tax and they should bloody well pay it as of January 1, 1993.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, if the hon. member is serious about getting the facts of this issue, why does he not allow the bill to go ahead and let Parliament decide? Maybe after the debate commences on this bill, the hon. member will be enlightened and he might find himself agreeing with the proposition as well.

* * *

IMMIGRATION

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, my question is for the Minister of Employment and Immigration.

The establishment of a centralized immigration centre in Vegreville, Alberta, to replace face-to-face interviews in all parts of the country including the west by a paper review and computers is another crazy move by this government to save an electoral seat.

The pilot project showed that this new system caused longer delays, was inefficient and opened the door to fraud and criminality.

I want to ask the minister how he can justify such a program which so poorly serves both immigrants and the Canadian public and will lose thousands of jobs both in the west and the east? Why is the government giving us such a nonsense proposition?

• (1440)

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I see that the Liberal member took his cue from the NDP question of yesterday. That question was answered yesterday.

I saw the hon. member on *Newsworld* reciting a list of, I hope it is *parlementaire* falsehoods about this move. This is about taking an office that is open from 9 a.m. to 5 p.m., five days a week, and using technological breakthroughs to give the people of Canada 24-hour a day service, seven days a week. This is about trying to reduce the cost to taxpayers of government services.

The big joke of the Liberals is that they talk about security and fraud. Just this year the department issued 31 million cheques of UI out of a system that will be similar to this one and we have not been defrauded by Canadians.

Hon. Warren Allmand (Notre–Dame–de–Grâce): Mr. Speaker, I have had conversations with several immigration officials from his own department and I have been told that this proposal is tragically flawed.

Decisions that once took two days are now taking five and six weeks and the door is wide open to fraud and criminality in the presentation of those applications.

Some hon. members: Oh, oh.

[*Editor's Note: Disturbance in gallery.*]

Mr. Allmand: I want to ask the minister when will the government learn that policy should be based on what is right for the country and not what is right to elect the Deputy Prime Minister? When will the government cancel this ridiculous program?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Warren, next time leave your fan club outside.

Some hon. members: Oh, oh.

Mr. Speaker: If the minister wishes to answer the question he should do so.

Mr. Valcourt: Mr. Speaker, on a serious note, the issue at stake here is whether or not the department can take advantage of new technology to give better service to Canadians.

He points to long delays. Obviously the member is not lining up in an immigration office at five in the morning. They line up and they wait maybe three, four or five hours just to put in a little application to an immigration officer. They could obtain the same service by filling in a form which can be processed by a computer which will give quicker service to the person.

This is about better service. This is about less taxes for Canadians and I think they will support it.

* * *

[*Translation*]

THE ECONOMY

Mrs. Diane Marleau (Sudbury): Mr. Speaker, it is depressing to see a government that seems paralysed and totally at a loss about how to deal with the economy. The recession continues and the deficit keeps building up despite what the government says.

Can the Minister of Finance give us the assurance that his economic statement will contain accurate and reliable forecasts with respect to the deficit as well as concrete measures to create jobs now for our unemployed? Canadians really want to work.

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I would argue with the hon. member's contention that we are still in recession. We have had five consecutive quarters of growth, certainly not robust, but it has not been negative growth.

As a matter of fact, in August, we had our strongest performance in over a year. The composite leading index is up, continues to increase and has been continuing to increase over a 17–month period. The help wanted index is up. We have had increases in employment in five of the last six months, 64,000 new jobs created, 83,000 permanent jobs created in the months of September and October.

I will admit that the recovery is not as buoyant as we would like to see it, but Canada is part of a global community. Canada's rate of growth relative to the other global economies is right in line. We see some pick–up in the United States. We are seeing some pick–up in consumer demand. We are seeing some pick–up in department store sales.

I think my statement on Wednesday will help in providing further encouragement and further optimism and hope for the future.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, obviously the government does not understand what is happening with the Canadian economy.

I ask the Minister of Finance: Seeing that municipalities have sewer and water projects ready to go, will this government's economic statement include an infrastructure program shared not only with the provinces but with the municipalities so that Canadians can have jobs as soon as possible?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, one of the biggest expenditures the Government of Canada makes is in the form of transfers to provinces. In terms of cash and the transferral of tax points it amounts to $39 billion a year.

The other major transferral is transfers to people, to people who receive old age pension, veterans allowance, family allowance, unemployment insurance. This amounts to almost $42 billion per year.

What I am saying is that the transfers to the provinces are specifically for programs which come under the jurisdiction of the provinces. Municipalities have a responsibility and are creatures of the provinces. Why would the hon. member want us to invade provincial territory?

What we have to do is work together in co-operation. We have had discussions with the provinces. We will try to do what we can, but we will not unilaterally interfere—

Mr. Speaker: I think we should move on.

* * *

NATIONAL REVENUE

Mr. Garth Turner (Halton—Peel): Mr. Speaker, many small business operators in my riding think they spend far too much of their time filling out government forms when they would rather be taking care of business and creating jobs.

Now the Minister of National Revenue has announced yet more changes concerning how small businesses are taxed. Will these changes actually help our entrepreneurs, or will they just make it easier for the government to tax them?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, the restructuring exercise which I announced to the Canadian Tax Foundation yesterday was designed to make things easier for the small business community particularly. In a nutshell what we are doing is dovetailing all the operations of Revenue Canada into one—customs, excise, GST and taxation—which will make it simpler, more efficient and easier for the small business community.

For example, instead of three auditors, there will be one. Instead of three or four tax returns, there will be one. There will be savings to the business community in the hundreds of millions of dollars and elimination of tonnes of paper which prompted John Bulloch, President of the Canadian Federation of Independent Business, to say yesterday: "Jelinek's announcement will be significant for small companies because of the benefits of one-stop approach".

* * *

AGRICULTURE

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, my question is for the Minister of State for Grains and Oilseeds.

This year's Farm Credit Corporation survey shows that the combination of giveaway prices and the 4.2 per cent increase in farm debt has resulted in a further big drop in the net worth of Saskatchewan farm families. This means that since this government was elected the value of farm assets in Saskatchewan has fallen by over $8 billion.

As if this was not bad enough, the changes to the method of payment to the Crow benefit which are being flogged by this government at the present would cause another huge drop in the value of these same farm assets.

Therefore I would like to ask the minister to explain why his government is trying to railroad changes to the Crow benefit which would result in a further undermining of the market value of farmland, threaten the viability of thousands of communities and drive hundreds of farm families from the land.

Hon. Charles Mayer (Minister of Western Economic Diversification and Minister of State (Grains and Oilseeds)): Mr. Speaker, the premise of the hon. member's question is just not accurate.

There are discussions under way as to how to use the $720 million that is available. Nobody is talking about taking that away from farmers. If there is a change—and I will get to the second part of his question in a minute—the same amount of money will be transferred to the farm community. How he can suggest in any way that is going to lower the price of farm land is beyond me?

• (1450)

Second, there have been all kinds of discussions. We have had four or five meetings federally and provincially with ministers of agriculture to discuss the process. The most recent one was 10 days ago in Toronto. It was agreed then that every government would go back to take a look at a set of draft proposals for discussion and come back some time around December 1 to make some more decisions.

Nobody is attempting to railroad anything. There have been discussions with full public consultation and, above all, with a very good working relationship with the provinces. That in no way can be construed as anybody trying to railroad anything.

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, I have a supplementary question for the same minister.

The discussions that really count have already taken place, and that is those that occurred with the farmers of Saskatchewan who would be most affected. Over 70 per cent of them said that they did not want to see any change in the payment of the Crow benefit.

Along with promoting the changes in the method of payment, the government is also floating ideas about restructuring the Department of Agriculture and deregulating the industry starting with a wide open free-for-all in the export of barley.

Therefore I would like to ask the minister: Why in heaven's name is this government applying the same model of restructuring and deregulation to agriculture—it has been so disastrous for the airline industry—when what farm families really need is some stability?

Hon. Charles Mayer (Minister of Western Economic Diversification and Minister of State (Grains and Oilseeds)): Mr. Speaker, again the hon. member really does not know what he is talking about. As usual it is high propaganda and very low validity.

Let me tell him what has happened since the free trade agreement when we gave producers, and the Canadian Wheat Board included, a better chance to sell into the United States without worrying about the Americans closing their border with their section 22 of the agricultural adjustment act. I will send him over the numbers just so he does not ask these kinds of questions again.

Our exports to the Americans in the last three years since the free trade agreement have almost doubled. That means we sell enough to make them our fourth largest customer. They are the biggest exporter of grain in the world. More important, they are the second highest priced market in the world after Japan. Not a bad record for some opportunity for people to do business on a set of rules. That is all we are trying to do by looking at regulation in general.

* * *

[*Translation*]

MANPOWER TRAINING

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, my question is directed to the Minister of Finance.

Instead of obstinately maintaining a monetary policy that is strangling the economies of Quebec and Canada, I suggest the government face the facts, and the fact is that it is unable to control and reduce the deficit. The easiest and most obvious way to reduce the deficit and cut spending is to get rid of overlapping jurisdictions, starting with manpower.

Why does the government keep refusing to transfer full jurisdiction over manpower to Quebec, which would save $300 million annually right there?

Mr. Blais: That is what you call being consistent.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, if that is what you called being consistent, he spent two months telling everybody not to go along with that, and now he wants us to do it.

With regard to the manpower issue raised by the hon. member, I admit that manpower training is a matter of concern, not only to the Government of Quebec but to all Canadian provinces. I am referring to the desire to avoid duplication and overlap. I am sure that no one on either side of the House is particularly keen on duplication because we are all taxpayers.

What we want to do, and this will happen in January when I meet the provincial ministers, is look at ways to maximize harmonization and co-operation and avoid undue duplication and overlap, so that taxpayers get their money's worth.

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, the minister has just proved that in addition to not understanding the referendum question, he did not understand the answer given by the people of Quebec and Canada. He was never given a mandate to continue with the current overlapping and the attendant outrageous waste of resources.

How long does he intend to ignore the legitimate request made by his friend, Mr. Robert Bourassa, to transfer manpower policy to Quebec?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, at this stage of Canada's economic situation, it is important that all levels of government work together to revive the economy and create the jobs which our people need, and that depends on training. What we need to do is not keep our heads in the constitutional clouds like the hon. member but to get involved with those who are in the market-labour, management, the provincial and federal governments, to and see how we can give our labour force the best training possible so that our economy is competitive throughout the world. That is what we will do.

* * *

[*English*]

EDUCATION

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, my question is for the Minister of Finance.

The minister will know that the Ontario NDP government will be cutting student grants, moneys needed by college and university students to get jobs. On several occasions the Secretary of State has said in this House that there would be a new student aid program. Last year a government study indicated that the 1984 criteria which have not been updated were totally inadequate.

When the minister makes the economic statement on December 2, will there be a plan to address this particular issue of student assistance, student unemployment? Will the students be forgotten again, or will they simply be treated as the NDP has treated its own students, with more cuts?

Hon. Gerry Weiner (Minister of Multiculturalism and Citizenship): Mr. Speaker, the minister responsible for the program is not available today, but I can assure the House that he has been studying the issue of student loans very carefully and has a plan in mind.

From what I recall, about a quarter of a million students are assisted each year and it is a very important program for all Canadians.

I might add that in the year 1991-1992 some $330 million were provided to Ontario students. That was up $100 million from the previous year.

At the moment officials are examining the implications of what the Ontario government has announced. I am sure the minister on his return will be addressing that matter in the House.

[*Translation*]

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, my supplementary question is for the same minister. I hope that a decision will be made shortly because students have been waiting for a long time already.

In his annual report the Auditor General said:

> We stress that amendments to the Canada Student Loans Act and Regulations are urgently needed.

Urgently needed. Can we expect immediate follow-up that will meet students' needs and aspirations? Yes or no, and when?

Hon. Gerry Weiner (Minister of Multiculturalism and Citizenship): Mr. Speaker, I am sure that the minister will answer soon that a study has been done on the subject and you will have an answer once the minister is ready.

* * *

[*English*]

GENERAL AGREEMENT ON TARIFFS AND TRADE

Mr. Maurice Foster (Algoma): Mr. Speaker, in the absence of the Minister for International Trade I will direct my question to the Deputy Prime Minister.

The final negotiations of the GATT round are about to begin next week. Last month the Minister for International Trade met with his counterparts of the European Economic Community and from the United States and did not even raise the question of Canada's supply management system.

I want to know why. Why, with this special opportunity right in Canada, did the minister not raise this important issue to try to influence those ministers to be sure that we got the maximum consideration in the final negotiations of the GATT round which is about to begin?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, I am surprised at my hon. friend's ill-informed question.

In fact a number of ministers went just a few months ago, a number of them took the same occasion to be there to speak on behalf of article XI and to call for clarification of it and strengthening of it.

This has been the government's position all along and virtually every minister that touches the trade file has articulated that position.

Mr. Maurice Foster (Algoma): Mr. Speaker, I simply quote the minister from the Canadian Press report.

Last February 40,000 farmers stood on Parliament Hill to protest the lack of action by this government in the trade negotiations. The chief negotiator for the agricultural sector said this morning that Canada had only two countries supporting its position. Last February when the rally occurred there were five.

How can the minister say that this government is serious about negotiations when it only has half the support from other countries around the world that it had six months ago? How can it really say that it is fighting for the farmers?

• (1500)

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, Canada has always done its utmost to defend farmers. Since we received the farmers who came to support us in February, we, the ministers and members here, perhaps not on your side, have received several thousand letters of congratulations and thanks to the government for the position it took to defend farmers.

We are aware that the arrangement reached between the Americans and Europeans will change the Dunkel report. Canadians will be there next week when the negotiations resume in Geneva and we will defend the Canadian position with all our energy. We met all the representatives of the farming community this past Tuesday in Saskatoon to inform them of the changes and they will be with us to the end to support Canada. That is how we have acted for nine years, by co–operating very closely with farmers, and we will continue to do so.

[*English*]

VIOLENCE

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, I was pleased to see the Prime Minister last week commit to deal with violence on television as he signed a petition presented to him by Virginie Larivière.

You may recall my private member's motion that was unanimously accepted by this House last February which called upon Parliament to review the media's role in the portrayal of violence against women and children.

I and all members of Parliament have a significant interest in this subject, one I know will take a great deal of perseverance to resolve and one I know we cannot resolve on our own.

My question for the government is therefore: Can the government tell Parliament if it is prepared to give this item priority consideration during an early visit between the Prime Minister and the President of the United States?

Hon. Perrin Beatty (Minister of Communications): Mr. Speaker, as the hon. member mentioned, the Prime Minister last week signed his name when he met with Virginie Larivière to add his name to the other 1.2 million Canadians who are concerned about this problem.

We have already indicated to Canadian broadcasters that we expect to seek concrete proposals from them at an early date to reduce the level of gratuitous violence on television.

In addition to that, I can inform the hon. member that the chairman of the CRTC will be directly contacting his counterpart with the federal communications commission in the United States to raise this issue as well as raising it with senior people in the American production industry.

I have asked my staff as well to draw up a number of names of potential fora in which we can raise this issue internationally to try to secure the support of other countries as well.

PRIVILEGE

MEMBER FOR CROWFOOT

Mr. Arnold Malone (Crowfoot): Mr. Speaker, it has now been eight months since I have been away from Parliament and it has been almost five months since my heart transplant surgery.

I missed this place. I missed all of you and I missed what this place is about. I missed the honourable activity of politics. I have noted that around here some things change, and others never do. I note, for example, that when you come to the exit door, the green bus still pulls away just as you are approaching and 80 per cent of my mail still has a big red tab on it that says: "Urgent, for member's eyes only" and inside is a magazine subscription.

However I missed being here to help shape public policy and to be effective with my constituents in Crowfoot and for Canada. I want to pay a special thanks to my staff for the very special way in which they took over, helped constituents and worked on behalf of our country.

I want to pay a very special thanks to my wife and my family who were so tremendously supportive, so extraordinarily helpful. They were there not just frequently, but always. I do want to counsel my seven-year old son that I do hope that when he asks the question about when is my next biopsy he will get it straight, and not ask me when is my next autopsy.

Some hon. members: Hear, hear.

Mr. Malone: Mr. Speaker, I want to pay special thanks to the heart transplant team of the University of Alberta in Edmonton. It is a marvellous pool of competence, talent and sensitivity. Here I am. We have the technology, the ability and I am now Parliament's $600 man.

You will notice some changes in me. Obviously, after transplant surgery you are on a number of drugs. Some of them are fairly potent, one of which causes very rapid and different hair growth. I say to the hon. member for Churchill or Notre-Dame-de-Grâce or Fredericton—York—Sunbury that I am not in the retail business and they need not come to me. I now have a set of eyebrows that look like they are made from prairie sagebrush. When I come out of my farm home, the great horned owl that nests in the big spruce tree out there dances and gets a little excited. It thinks I am one of them.

One thing that happens when you are away is that you come to see this place differently. I want to mention just two things. One I will take just a moment on. One thing about Parliament that is seen different is that of course as political parties we are different in this House. Of course our ideologies are different. Of course our policies are different. Of course we disagree and of course, that is right. That is what Parliament is all about. That is why we are two sword lengths apart.

Mr. Speaker, I got from you, and I thank you for it, a very lovely note as I did from all of my caucus friends. The support was so generous and overwhelming that I was in disbelief at the support. Somehow I expected that too, but I was also surprised. People outside of this place do not know the enormity of comment I received from the Liberals and the New Democrats who said to me: Best wishes, good health and hoped that I would be back soon. I want to thank each and every one of them and Parliament for what all of Parliament is and how we have learned to have civilized debate here.

Some hon. members: Hear, hear.

Mr. Malone: I want to take a moment to just steal another thought. When I was away I came to where I saw news broadcasts in a different light. What I saw was that they appeared as manifestoes of truth. They took on a new predominance. Forgotten was my privilege of being a member of Parliament where I had an inordinate other range of sources by which I could seek other opportunities for research and knowledge. I found out that when the media prepares the seed bed of knowledge, it almost always harrows and seldom ploughs. Moreover, when it does plough it is usually looking for worms rather than for turning up more fertile soil.

By and large the news is too negative. While I was away, I watched dead body TV news broadcasts, features where bodies from Yugoslavia, Somalia, South Africa, airline crashes, convenience store hold-ups or wherever else they might be found. No one would deny that these subjects are newsworthy, but news ought not to be limited to being a catalogue of misery. News disseminators must go beyond presenting an index of what went wrong on a given day. We have a legitimate right to ask: Where are the achievements, the advancements, the excellence, the happiness, the joy, family, camaraderie, peace, opportunity, heroics and a thousand other positive dimensions of human life? I am 55 years of age. Apart from funerals, I have seen one dead Canadian body in my life. In the news death is a daily diet.

I am a member of Parliament and I have witnessed excellence and achievements from groups such as women, men, youth, educators, scientists, industrialists, agriculturalists, new Canadians, established Canadians, senior citizens, artists, musicians, across a spectrum of trades and a host of other categories. News tends to be an overemphasis of graphic treatment of violence and disorder. Too much attention is given to champions of wrong.

Many Canadians, unfortunately, are becoming drop-outs to news observers and I found it very amazing, the number of educated people that I associated with in hospital who said they no longer watched news. I say to the media: "Scrutinize we who are politicians because you should, but note you enjoy a special privilege. You are uniquely immune from formal criticism. If there is to be hope and happiness, we need a free press but we need one that balances good and evil, hope and despair".

• (1510)

I want to make three quick comments that reflect on my surgery and then take my seat.

I am feeling well. I feel very well. I am also cognizant of the fact that it is only by the coincidence of luck that I and my needs were able to be attended to and corrected because I was among the fortunate whose needs and this technological moment in history coincided. This is not a situation I planned or made happen; it is purely a fact of existence beyond my control. I am grateful for my fortune.

Second, though I have realized this before, now more than ever, I am thankful for being Canadian. Not only am I a citizen in a nation of medical excellence, but also one who was privileged by the reality of our medical affordability. Some other nations as wealthy as ours cannot make that claim.

Third, my present existence is a blessing that is not in disguise. My family's relief flows from another family's sorrow. My opportunities continue because another's ended. My gratitude toward the family of an unknown donor is daily and it shall be life-long. To whomever those persons are and all others who are willing to become organ donors, I express my thanks.

I want you to know, Mr. Speaker, that I would never, even after my inordinate advantage, ask all Canadians to become potential organ donors. First, there is not such an extensive need. Second, there are many who for personal and moral and sometimes religious reasons have cause to resist being organ donors. This is a legitimate opinion and it must be respected.

However for those who upon examining their consciences are willing to allow themselves to be organ donors, I appeal to them now to talk about it with their families and loved ones, affirm their conclusions, and then sign the donor permission card and carry it on their person. Importantly I say: "Don't do it this weekend or over the Christmas vacation or some other time in the near or distant future, but make a note now and do it at your very first opportunity".

In a survey done by the Kidney Foundation of Canada, 90 per cent of respondents expressed a willingness to be organ donors, yet only 20 per cent have talked it over with friends and family or signed organ donor cards.

Today the need for organ donors is much larger than our available capacity, yet our need could be met if only 50 per cent of potential donors had provided an affirmative signal to be one. The need is most acute and most unfortunate among children.

It is an interesting irony that I come from a small community in Alberta, the community of Camrose with only 13,000 persons, and two of us from that area within a month required transplant organs. The two differences between us, significant differences, are that she required a liver and I required a heart. The other difference is that I was nearly 55; she was just 5. But her situation was very critical and very urgent in terms of the amount of time she had left. An organ was found from another community, from another province, and Jenny, a beautiful, ambitious, active child, is healthy and well today. But she is so, again because a program was available.

For the hope of Canadians, and there are so many, I simply plead: "If it is within your conscience to sign an organ donor card, do so because you are being so helpful to so many others".

As I take my seat, I want to restate how pleased I am to be back among all members and to be working together on behalf of Canada and Canadians. I wish to share with them that they are as lucky as me for while I have benefited directly from the marvels of modern medicine, all of us as members of Parliament and all us as Canadian citizens have the assurance that Canada is a caring place capable and willing to help should we ever be in a situation where that need occurs.

I say, Mr. Speaker, thank you, Canada; may we always stand on guard for thee.

Some hon. members: Hear, hear.

COMMENTS DURING QUESTION PERIOD

Hon. Warren Allmand (Notre–Dame–de–Grâce): Mr. Speaker, I have a question of privilege to raise with you, but before I do so I want to congratulate and to thank the hon. member for Crowfoot for his very positive remarks and to say how pleased we are to see him back in the House.

During Question Period the Minister of Employment and Immigration associated me with the demonstration which took place in the south balcony. I want to say very emphatically that the demonstration came to me as a complete surprise as much as it did to anyone else in the House. The minister indicated that these were my friends or a fan club. I must tell him that as far as I know I do not know any of them. I did not organize any such demonstration in the balcony and I did not know that one was to take place.

I would hope that the minister would withdraw the suggestion that I had anything to do with that demonstration.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, in the honourable tradition to which our friend Arnold just referred, I absolutely want to withdraw any such insinuation. I said that in jest. I never meant to imply the hon. member had arranged that, not at all.

Mr. Gauthier: Mr. Speaker, I seek unanimous consent to revert to the presentation of committee reports.

Mr. Speaker: The hon. member has asked for unanimous consent of the House to revert momentarily. Is that agreed?

Some hon. members: Agreed.

Routine Proceedings

ROUTINE PROCEEDINGS

[*Translation*]

PUBLIC ACCOUNTS

PRESENTATION OF 10TH REPORT OF STANDING COMMITHEE

Mr. Jean–Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I have the honour to present, in both official languages, the 10th report of the Standing Committee on Public Accounts.

[*English*]

This report deals with the 1992 Auditor General's report. This morning the committee met and agreed to recommend to the House that the Department of Finance and the Auditor General of Canada meet as soon as possible in order to clarify their positions on the issue of tax arrangements for foreign affiliates of Canadian companies.

Pursuant to Standing Order 109, this committee requests a government response to this report.

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

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, perhaps the government House leader could indicate to the House the business for the remainder of today and for tomorrow, as well as far as he can see into next week. There have been some additional discussions earlier this hour in terms of certain business which may come before the House. I am wondering if he could indicate that.

Second, I am wondering if there might be unanimous consent among the parties that should the House sit late this evening for the completion of the third reading of Bill C–63 we preserve the adjournment debate from 6 p.m. to 6.30 p.m.

• (1520)

Third, I am wondering if the government House leader could indicate when he might be coming forth with a House order on the provisions of the economic statement to take place next Tuesday.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, as the Table has indicated we will complete third reading of Bill C-63, the dissolution bill this afternoon.

I have no problems with the suggestion made by my colleague in terms of interposing what normally would have been the adjournment debate at the end of the day, should that be to the convenience of members.

Tomorrow we will be completing third reading of Bill C-26, the PS 2000 bill. In terms of Monday and Tuesday we are still having discussions about what we might proceed with in that regard. One of those days will be a supply day, probably Tuesday.

I would like to inform the Chair that I will be giving the formal word on that tomorrow. I will look at the possibility of some accommodation in terms of a couple of bills flowing out of last year's budget, Bill C-76 and Bill C-93 having to do with the same subject matter, to see what progress we could make on them.

On Wednesday and Thursday time will be provided for the discussion of the economic statement to be made by the Minister of Finance on Wednesday. I will be putting down a motion to provide the basis for the discussion on Wednesday and probably use Thursday as the first day of debate on a borrowing authority bill that will be brought forward.

As we indicated in our discussions, we will carry on our usual discussions in respect of a House order that would allow us to sit later on both Wednesday and Thursday so that we will have the necessary time for that important debate in which a lot of members will want to participate. I will get back to the hon. members in that regard.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I am pleased to hear the comments of my hon. friend, the government House leader. I wonder if I could ask for a clarification on the land claims bill. Is it the intention of the government to move on that next week, or would it like to wait until the following week?

Mr. Andre: Madam Speaker, we are prepared to proceed on it. My understanding was, through the usual channels since there was some interest on the part of the New Democratic Party, to have a few more days to consider it before we brought it forward.

I know that in an earlier discussion I talked about Monday but apparently there was a desire to have a few more days for caucus discussions. We could certainly amend that if that is now not true.

Mr. Riis: Madam Speaker, earlier today I raised a point of order regarding the legislative committee hearings on Bill C-91. I have not read the transcripts from this morning, but I understand there are ongoing difficulties and problems and there has been a suggestion that the committee sit right through the entire weekend.

I simply want to give notice that until I read the transcripts I would rather not proceed now but wait until later.

GOVERNMENT ORDERS

[*English*]

AN ACT TO DISSOLVE OR TERMINATE CERTAIN CORPORATIONS AND OTHER BODIES

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Mazankowski that Bill C-63, an act to dissolve or terminate certain corporations and other bodies, be read the third time and passed

Madam Deputy Speaker: We will now proceed with the period of questions or comments following the intervention of the hon. member for Halifax to the House.

Mr. Derek Lee (Scarborough—Rouge River): Madam Speaker, during the remarks of the hon. member for Halifax she mentioned on two or three occasions the circumstances lying behind the dissolution of the Law Reform Commission.

I can recall that during committee hearings on the subject of this bill we were definitely made aware of very unfortunate implication, as we saw it, in the dissolution of the Law Reform Commission. Judges across Canada at all levels have an interest in reform of the law in some way. Let us keep in mind judges have a unique window on the legal system in this country. They do not have an obvious vehicle for their views on either a collective or individual basis. The Law Reform Commission had evolved into a vehicle capable of listening to and accommodating the views of our judges with respect to law reform in a non-partisan comprehensive and appropriate way.

Now that the Law Reform Commission is to be dissolved, I suspect many of the judges across this country who want to participate are losing this very unique vehicle. I wonder whether my colleague from Halifax has a perspective on that in her own experience as an MP and as a lawyer.

Ms. Clancy: Madam Speaker, I do have some thoughts on that.

There has been a great deal of discussion both here and outside of this Chamber, regarding the role of judges in our legal system. They have very little or no opportunity in their current incarnation to have input into public policy in the research and development way. They have the ability to write decisions on those questions put to them in the courts and in the normal way if they happen to be appellate court judges. Obviously there is a limiting factor there.

Other levels of the judiciary, particularly those at the most active level in dealing with the public, which are known in my province as provincial magistrates, have no opportunity of the kind my hon. colleague mentioned.

I have risen many times in this House and discussed the need for mandatory training of judges, for example, in gender sensitization. I would hazard a guess that if the Law Reform Commission were still in existence, a number of judges would see the problems with gender sensitization, not just within their own brethren and sisterhood, but across the board in our society because of the cases they face. Indeed, they have now lost the opportunity to input this kind of data into a body such as the Law Reform Commission.

There is another area of great concern to Canadian women that would have been an area the Law Reform Commission would have studied. That is the whole area of sexual harassment. There is not a woman in this country, Madam Speaker, and I know you agree with me on this, who has not had to deal with this pernicious development at some time in her existence.

This week I have twice raised a situation in this House relating to two of my constituents, members of the Public Service of Canada, who have lodged a complaint founded on sexual harassment. I also raised this point last week.

It is absolutely clear to women within or without the public policy area of this country that the whole question of sexual harassment is not fully understood by many of our male colleagues, males in managerial and senior positions and many department heads. It is my strong impression, particularly following the problems with Anita Hill, Clarence Thomas and the Senate judiciary committee in the United States, that the area of sexual harassment is the newest area for deep response from organizations such as the now defunct Law Reform Commission of Canada.

It is a tragedy we no longer have this vehicle. It is a tragedy for the judiciary in this country. It is a tragedy for lawyers, but most particularly, it is a tragedy for the people of Canada.

• (1530)

I would hope that before any of us are very much older we will see a resurgence of a body similar to the Law Reform Commission of Canada through some form of intervention .

Mr. Steven W. Langdon (Essex—Windsor): Madam Speaker, I want to enter into the last stages of this debate. I think the discussion which has taken place with respect to elimination of these institutions has ranged across a wide number of different areas, but deserves to be focused as we come close to the end of the debate.

We really have a question before us as a country, as a Parliament, as members of this House of Commons, whether we are prepared to invest a small number of resources to ensure expert continuing input is provided to us on an independent basis as policy making goes forward.

As things stand at the moment, for instance, in the area of economics and economic policy, there is not a single institution in this country that has the responsibility to act independently to provide policy advice to governments across this country or, in other words, to fill the role the Economic Council previously filled.

We can look at some of the institutions the government has talked about as being able to fill this role, such as the Fraser Institute. It is very much shaped by a specific ideological view of the world and very much supported by large scale private business.

The C. D. Howe Institute has a slightly different perspective of the world and is again supported by private business. There is also the Conference Board of Canada. These are all reputable institutions and contribute important viewpoints which are helpful to government, but not from an independent perspective because of their source of funding.

In the case of the Conference Board, for instance, the funding again comes entirely from private business.

The University of Toronto Institute for Policy Analysis provides some policy advice, but at a very arm's length basis from political reality in many cases. It is funded partially by the private sector and partially by the public sector but through the university mechanism.

There is a problem with all these forms of institutional support and policy advice. There is not a large enough gathering together of resources to support the detailed research and large scale projects that are often needed in a much more complex world to get at the heart of economic issues which have to be understood in this relatively small country in financial and population terms. The same thing is true of many of the institutions we are talking about eliminating with this piece of legislation.

The Science Council of Canada has provided important advice in the past to government, not just about science and how to deal with science, but advice about the economy and how science should be brought into a more powerful and contributing role in our economic growth in Canada.

We can talk about institutions like the Law Reform Commission, and the Canadian Institute for International Peace and Security. All of these institutions have filled a tradition in this country which governments have previously been proud of. It is a tradition where institutions have the freedom to act and yet are provided with financial support on an arm's length basis.

This tradition is not just limited to this country. We can look at other countries in the world and see they too have institutions of this sort which play a similar role. For instance, France has a social and economic council with 200-plus members who meet twice a month. It has a large research staff. It provides important information and advice on economic and social issues to the government.

Japan has the Japan Economic Research Centre. The United States has the Council of Economic Advisers, which is again supported by various research staff. The United Kingdom has the National Economic Development Council.

It is true we have some institutions in this country that still live. We have institutions like the Canadian Labour Market and Productivity Centre and the Canadian Labour Force Development Board. They are able to operate with some independence and provide some advice, but frankly not with the depth of financial support some of these research institutions which we are winding up with this legislation have had to contribute in the past.

What if we were being asked to judge these institutions by the government and it said it was not certain whether they were contributing to the country or not? Perhaps the government would have an independent inquiry, or even a parliamentary committee probe their contributions and give some kind of independent assessment of what these various institutions have been and could contribute to the country.

If these independent inquiries and reviews had come back and said to Parliament these institutions were costing too much money, were not providing independent advice or contributing to better policy making and therefore they should be eliminated, that would have been a sensible route for a sensible government to take in policy analysis.

• (1540)

Instead, we had a government stand up on budget day, having given at most two or three hours warning to these institutions, and simply decide to eliminate them without any assessment, without any review, and without any chance for the people of Canada to analyse the contributions that these institutions have made to our country.

I have to make the assessments myself. It seems to me, from what I know of it and I have not had an independent review to help me, that it does make sense to eliminate the Canada Employment and Immigration Advisory Council.

It seems to me we have other institutions that can provide independent advice and help, such as the Canadian Labour Force Development Board and the Canadian Labour Market and Productivity Centre.

When I look at the other institutions I do not see that. I do not see the way in which their work is going to be replaced, and I do see immensely valuable contributions that these institutions have made in the past and could make in the future.

For instance, I think of the work of the Science Council in analyzing some of the problems with multinational corporations and their activities in this country. It is work which led to new approaches on the part of policy makers to try to push multinational subsidiaries in this country to begin using their branch plants in Canada as bases for development and export of particular specialist product lines.

I think of the work of the Economic Council of Canada in examining the question of our relationship with developing countries in a very detailed study called *Toward a Common Future*. It developed a set of recommendations which in many ways have led government to recognize that trade, and trade relations, with developing countries is the most important way in which we can help poor countries in the world to expand their economies and to achieve development success.

Those countries have benefited as a consequence of the Economic Council's work. I think of the work of an institution like CIIPS which has been out in the high schools providing information to our secondary school students so they have a better understanding of the complex changes taking place in the world.

I think of the International Centre for Ocean Development which, as well as contributing to Atlantic development, to the development of our Atlantic provinces, made useful suggestions and developed and administered useful projects in various Third World countries to help them build up their fish resources for the future.

At no stage has the government ever justified the elimination of any of these institutions. At no stage did the minister appear before committee and attempt to explain why the Economic Council should be guillotined or why the Science Council should be put before a firing squad.

At no stage were these kinds of explanations given, either to the House of Commons or to the people of Canada. Instead the government simply moved ahead and eliminated a whole set of institutions; a set of institutions whose one common thread seems to be the fact that they were established under the auspices of another political party. The Economic Council of Canada, the Law Reform Commission, ICOD, CIIPS, all of these institutions were established under Liberal governments. Despite that, I say as a New Democratic that they have done useful, non–partisan work.

However, this government, a Conservative government, decided that it had to get rid of them. It has justified that by saying that this was going to save people in Canada tremendous amounts of money. My colleagues this morning and last night clearly demonstrated that there were other immensely more profitable areas to tackle if the government wanted to save money. It could have saved millions by enforcing taxation more effectively and it could have saved billions by seeing to it that family trusts were not given a free ride in tax terms in the future.

Did the government choose those areas to move in? It did not. Instead, it chose to move in what can only be analyzed, in the end, as a partisan means of eliminating institutions to which it objected for reasons that could only be understood, it would appear, in political terms. It is shameful that this was the approach taken by this government.

What is even more shameful is that having decided to eliminate these six institutions the government then brought before policy makers of this country the so–called prosperity report which recommends the establishment of six new institutions in this country. They are six new institutions to deal with the economy, to deal with the teaching of science in our schools, to deal with questions of quality in the production processes of our country—many of the issues which these institutions being eliminated were already dealing with.

It is unforgivable to see stupidity being implemented for partisan reasons. It is even more unforgivable to see that stupidity revealed for the hypocrisy it is by suggesting a short seven months later that we establish a whole new set of expensive institutions which I am certain will cost us far more money than the minor amounts to be saved by killing off these institutions that provided a

forward guidance system for the policy-making process in Canada.

I stand in the House as somebody who worked, before I joined this House of Commons as an elected member, with the Economic Council of Canada and the Science Council of Canada. I have seen them from close up.

• (1550)

They are non-partisan, thoughtful institutions trying to contribute to the betterment of this country's future, and they have been butchered. They have been butchered by a government that has not seen the responsibility it has to maintain independent thinking in the future of our country's government.

I hope that this piece of legislation will be rejected. I hope that it will be possible for us to recognize fairly and independently the value contributed to this country by these institutions that this government is seeking to kill.

[*Translation*]

Mr. David Berger (Saint-Henri—Westmount): Madam Speaker, I would like to contribute to the debate today by pointing out what Canada will lose when the Science Council of Canada goes. The council was created in 1966 when Mr. Pearson was Prime Minister of Canada. When the council was inaugurated, Mr. Pearson said that it was in the interest of governments and Canadians to receive advice from an independent body on establishing constructive links between science and technology on one hand and economic growth, resource development, health, the environment and national infrastructure on the other.

He charged the new agency to draw upon all the wisdom of the natural sciences, pure and applied, as well as the social sciences and humanities. He stressed how important it was to apply the scientific talent of Canadians to social problems that affect the whole world and to evaluate the impact of science and technology on society. That was in 1966.

Since then the Science Council of Canada has met Mr. Pearson's challenge. According to its last chairman, Janet E. Halliwell, the production of the Science Council of Canada is rich and multi-faceted. We need only consider the publications following more than 25 years of study: working papers, workshops, lectures and studies. These publications are a solid collection of summary documents, analyses and policy papers, widely recognized in Canada and abroad, as the frequent references to them in national and international literature attest.

The council's most important function perhaps has been education, not in the sense of acquiring knowledge but of helping people to rethink old problems in new ways and to identify new issues and new challenges. The council had about 20 members who came from all parts of the country and all backgrounds: the private and public sectors, industry, government, education, medicine and so on. Of course the council brought together French and English speaking people. I would like to return to the Science Council of Canada's national vocation in a moment.

I should also point out that with the exception of the chairman and vice-chairman of the council, members worked without remuneration. The Science Council gave them an opportunity to discuss the various problems being analysed by the council and consider possible solutions.

[*English*]

In a letter to members of the committee which studied this bill to dissolve the Science Council and the other commissions such as the Law Reform Commission and the Economic Council, Janet Halliwell, the last chairman of the council, observed that while the council's work extended to many subjects there were perhaps two themes which dominated and influenced Canadians over the course of the past 25 years and the understanding that we have of science and technology and society. These two subjects are what is today called competitiveness and sustainability, words which were not in vogue perhaps 15 to 20 years ago but which nonetheless have preoccupied the council for the past 25 years.

From its beginning the council consistently stressed the need for Canada to become more innovative. I believe that Ms. Halliwell is right to say that the council's work has had a profound impact on the national agenda and that the council's thinking underlies the government's current prosperity initiative. Witness the fact that Ms. Halliwell was asked by the government to co-chair the task force on science, technology and related skills which was one of the task forces which made up the prosperity initiative.

With respect to sustainable development, the Science Council anticipated the Brundtland report by more than 10 years in a report entitled "Canada as a Conserver Society".

With this record, it came as a shock to many people that the Science Council would be unceremoniously dissolved by the government. Of course this decision was announced in the February budget. The decision to abolish the council was taken without formal evaluation of its work or consultation with the chairman or the members of council. Indeed, the chairman was advised that the winding down of the affairs of the council should not be considered a negative comment on the work of the council.

The Minister of Finance has said that other groups can do the council's work. Perhaps he had in mind the National Advisory Board on Science and Technology which is chaired by the Prime Minister. NABST does not operate independently from the government. On appointment, the members of that board take an oath of secrecy. Its reports are not always made public or are often made public after considerable delay.

Professor John Polanyi, the 1986 Nobel prize winner in chemistry, who has been a member of the National Advisory Board on Science and Technology, appeared before the legislative committee studying this bill and explained that governments must have not only in-house sources but arm's length sources. "Why is that", he asked. He answered that in-house advisers have to deal with immediate crises. They often cannot afford to take a longer view and are subject to political constraints. They do not report directly to the public and sometimes they do not report at all to the public. That is why we need independent, arm's length bodies.

Canada is left with only two independent long-range research organizations that are examining science policy and innovation and both happen to be located at the University of Quebec in Montreal. Neither has the integrated strength, national purview or scope of the Science Council. I believe it is accurate to conclude, as did Ms. Halliwell: "The demise of the Science Council will sharply reduce access to independent in-depth analytical work in science and technology policy, the underpinning of good decision making".

• (1600)

The government has said the motive for terminating the Science Council is to save money. This is a motive we all share. However as Professor Polanyi put it: "The money being saved by the dissolution of the Science Council is about $3 million per year". It sounds like a lot of money but as he said: "It is a trivial sum compared to the cost of just one technological error".

Dr. Polanyi also told the committee that if we abolish the Science Council we will have to recreate it, and he listed a number of considerations which we should look for in the existing and in the future Science Council. I would like to review three of these considerations.

First, he said it must be credible, which means it must be in touch with the scientific community. It also takes time to establish credibility and that is why it is such a tragedy we are losing the 25 years of experience we have in the Science Council. Credibility is item one and the Science Council had that.

Second, the Science Council must be fair and recognize a range of views and that is exactly what the Science Council did.

Third, the body must be visible. On this point Dr. Polanyi felt that the Science Council may get less in the way of good marks. It has to be visible he said to scientists, to scholars, the public, the media and decision-makers.

I would like to add a word or two on this point. I am concerned that MPs are not organized to benefit from the work of the Science Council or other groups that provide similar advice such as the groups at the University of Quebec or the National Advisory Board on Science and Technology. I believe we will have to make changes if we wish to benefit from a future Science Council.

Let me explain what I mean. Until 1986 the miscellaneous estimates committee dealt with the scientific and technological activities of the Government of Canada. It was that committee which reviewed the work of the Science Council and its reports, studied the activities of the National Research Council and the government

departments that deal with industry, science and technology.

In 1986 as part of parliamentary reform, the Standing Committee on Research, Science and Technology was created. One of the major features of reform was to give more power to committees and part of this power was the ability to undertake a study independently without a reference from the House of Commons. Also committees with a smaller membership were supposed to lead to specialization.

I regret to note that the enthusiasm for reform lasted about two years. By 1988 most of the smaller committees that were established in 1986 were merged into larger ones. Research, science and technology were lumped together with industry, regional and northern development. The committee's work I must say is hampered by changing membership.

In the United States the membership of congressional committees operates under rather strict rules of seniority. Adopting rules of that nature might improve the effectiveness of our own committees.

What I am trying to say is that while we might want a future science council to be more visible and to have the ear of decision makers, it is for decision makers, including members of Parliament, to listen and to organize themselves in a fashion that we are able to listen to the advice and to understand the reports that come from groups like the Science Council.

In closing, I want to add just one word about the national vocation of the Science Council of Canada. As I said before, we are left really with no national body to look at science and technology policy issues from a national perspective and from an arm's length perspective.

As I mentioned also, the Science Council was unique in being a national body in that it brought together anglophones and francophones from all over the country. By its mission and composition the Science Council helped secure both as prosperous and harmonious future for Canada.

[*Translation*]

I would like to quote Mr. Goyette, who wrote to the Science Council of Canada when it was announced the council would be dissolved. Mr. C. Goyette is president of a company in Montreal called Corestham. Mr. Goyette said that the Science Council provided a vision of technological and scientific development commensurate with the reputation of this country, and capable of steering us successfully through the critical nineties. The council also had a unique network of scientists and engineers who, as reflected by their ties with the business and academic world across Canada, proved that the various regions of this country can work together and also reach a consensus on a vision of the future".

In concluding Mr. Goyette said: "On the basis of my experience, I can state that the Science Council was an essential component of Canadian unity".

The dissolution of the Science Council not only deprives us of an agency that would help us prepare for the future through an understanding of the challenges of science and technology, but also of another agency and institute that brought Canadians together and contributed to national unity. That is why all Canadians should and indeed must regret the dissolution of the Science Council.

[*English*]

Mr. Jim Fulton (Skeena): Madam Speaker, I listened with interest to the member's speech. I just wonder if he would comment on where one might find the necessary funds to keep these institutions going.

The government side has indicated that their principal purpose in doing this is to make a leaner, meaner government. I know in his remarks the hon. member was just drawing toward telling Canadians where the funds to keep them going were going to come from.

Mr. Berger: I thank the member for Skeena for his question. I guess in the months leading to the actual closing of the Science Council, in the time between the budget and the end of June when the Science Council had to close its doors, the chairman, Janet Halliwell, prepared a proposal to revive the council known as the Phoenix Project. She hoped this new institute would be modelled after the Carnegie Institute in the United States. Funding would be provided by a number of sources, including the private sector and provincial governments, but certainly required a commitment from the federal government.

On April 8 I asked the Minister for Science when he appeared before the Standing Committee on Industry, Science and Technology whether the federal government would be prepared to participate in the funding of such a new institute. His answer was no, flatly no, no interest whatsoever from the government.

We learned that the Phoenix Project would never see the light of day and that the government was not interested in preserving the council in any form.

• (1610)

Perhaps at some point such a council can be recreated as a purely private initiative. I am somewhat doubtful. I have spoken to people who have been close to the council and people who are in the private sector. They do not feel that the funding can be obtained solely from the private sector for this kind of initiative. There will have to be some kind of government funding if we wish to recreate the council some day. Such a council would perhaps be housed at a university or some other institution where it might be on firmer footing than as just an agency of the federal government, as it was in its first incarnation.

Hon. John Bosley (Don Valley West): Madam Speaker, may I say to the hon. member that some people over here were impressed by his speech. I am frankly surprised at what he has just said.

If the member wants to send to some of us over here the notion that a phoenix can arise out of this situation which may require some matching support there are some people over here who would like to help him.

Mr. Berger: Madam Speaker, I thank the member for his willingness to look at this proposal to revive the Science Council. Certainly, I will be in touch with him. We will get to work on it and see what we can do.

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, I am happy to have the opportunity to speak on Bill C–63, an act to dissolve or terminate certain corporations and other bodies.

Canadians should know, and I want to repeat for them, the organizations that we are dissolving this afternoon: the Canada Employment and Immigration Advisory Council, the Canadian Institute for International Peace and Security, the Economic Council of Canada, the International Centre for Ocean Development, the Law Reform Commission and the Science Council of Canada.

When the rest of the world is talking about training, retraining and creating centres of excellence we in this country are dissolving six institutions that contain some of the best and brightest minds that our country has ever seen. They have been producing ideas on a whole range of issues.

I think specifically of the Science Council of Canada and the Economic Council of Canada. These two institutions have been generating ideas for debate not only for this legislature but for every other legislature in the country. They have also provided specific information to those in the private sector who were interested, some of it concerning corporate development in the business sector and the education sector.

What bothers me most is that the government is suggesting that this entire operation is being done in the interest of addressing the deficit and debt of this country.

This government does not understand that as it proceeds on this course of cutting and dismantling these instruments it is weakening the galvanization process of this country. That is one of the things that really affects confidence.

I remember in 1961 when John F. Kennedy said: "We are going to put a man on the moon". That one sentence triggered a reaction which galvanized the will of the American people. That one sentence triggered a reaction in the grade schools, high schools, colleges, universities and think–tanks all over the United States. They said: "Yes, when we work together, when we have a hopeful thing to look forward to we can raise our productivity levels and we can become creative". These exercises in creativity produce all kinds of spin–off opportunities for job creation.

I believe that President–elect Clinton will be a catalyst for galvanizing the will of Americans once again. That is what we are missing in this country. We are missing that one big idea that will pull us all together, that idea of hope that will make us all feel good about ourselves and cause us to have the level of confidence that will cause us to spend again and will cause our job creation mechanisms to start kicking into place again.

If one good idea came from these institutions, I refer specifically to the Economic Council of Canada and the Science Council of Canada, that could trigger a change in the mind–set of this country then that alone could pay for all these institutions for the next 10 years or 20 years.

I am totally sympathetic with the notion that we must be cost efficient, that we must not waste and that we must not abuse taxpayers' money. I will not argue any of those points. However, what is really lacking in this country right now is the feeling that it is a good thing to be creative, that it is a good thing to unleash that creative process.

These institutions were internationally respected think-tanks. They did not always come up with ideas that could be used. They have not always come up with ideas that I have agreed with. However, they were instruments for advancing the debate, which is what is lacking in our country today.

The whole exchange, the whole concept of advancing debate is really stifled. It is only when the best and the brightest of minds are fully exercised in debate that we will generate ideas that hopefully will put this country back on a path to economic prosperity.

When I think of these organizations being dismantled I just cannot understand where the government is coming from. How much are we truly going to save? What are we going to do with these minds, with the human capital that exists in some of these institutions?

I am sure that some of this human capital, this great talent, is going to be transferred to other sections of government so that they will still be an expense to the taxpayer. Their data bases and libraries are being dismantled. They are moving some of them to Toronto. I do not know where all the data bases are being moved, but I am sure they are going to be parked in different sections of government, in different parts of the machinery of government.

• (1620)

Think of the cost we are going to incur when we bring similar think-tanks back. We are going to have to reconstruct all the dismantling that is going on. I just cannot figure out where the government is coming from on this particular question.

I listened to the Minister of Industry, Science and Technology talk about the prosperity initiative. I listen to the government when it talks about the fact that we must become globally competitive, must put more dollars into training, and must stimulate the community and stimulate the idea process to create new products at more competitive prices. I hear all these statements, but this action flies right in the face of them.

I refer specifically to the Science Council and the Economic Council of Canada. These are two of the finest think-tanks anywhere in the world. To chop them is the type of retreat by national governments that I am ideologically opposed to.

In the private sector we are encouraging people to put money into research and development. Two and a half years ago one of our more successful companies in this country, Magna International, which I had the privilege and experience of working with, had a very difficult time because of the downturn in the economy. The levels of profit had vanished and there was pressure from financial institutions to try to get this organization back on track.

Yes, there were some streamlining initiatives and steps that were included in the revised business plan but the one thing that salvaged Magna International, put it right back on track and made it once again one of the most profitable organizations in North America, employing close to 20,000 people, was the fact that it had a solid research and development centre. It was able to diversify its products because there were creative minds in that company who were given the resources to create new products at better prices and with better quality. That is what brought it out of the depths of this tough economic period.

What I do not understand is that when there are creative centres of excellence like the Science Council of Canada and the Economic Council of Canada, if anything, we should be supplementing their budgets because right now we are looking for one or two ideas that will galvanize the will of this country, pull this country together, and give us the confidence to start moving again.

This government once again is not demonstrating the vision it should when times are tough. In my opinion, when times are tough we should not promote less but more. We have think-tanks with the best and brightest minds in the country working in a non-partisan manner for the good of the nation. When instead of encouraging them and giving them the tools and necessary environment to come up with something to give us guidance and lift us out of this demise the government writes them off it shows me that it is missing the very point. The government is missing the very thing that is required to help pull us all together and help put us back on track in terms of this economic malaise we are in.

I can only hope that something happens between now and the time when the final axe is dropped. Maybe there will be some kind of death-bed conversion. I salute the Prime Minister for admitting just a few days ago that he had made some mistakes in the last few years. Well, maybe for the sake of $3 million or $4 million he could admit that this is one of his mistakes and keep these fine institutions going.

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Madam Speaker, I listened to my hon. friend's speech with great interest because he is very thoughtful on these questions and I respect what he has had to say.

I will begin with a little story. Two weeks ago, a page approached me and she asked: "Are you related to the Tom Hockin who wrote this boring book that we have to read in our political science class?" I said: "Well, I am that Tom Hockin". She came back two days ago and said: "Oh, I was so embarrassed. I have read the book again and it is not so boring after all. There are some good ideas in there".

Mr. Mills: There are some good ideas in that book.

Mr. Hockin: Maybe she was just apologizing. I mention my book because I know the hon. member has written a book too. It is on taxation, on the flat tax. As far as I know, he produced that book the same way I produced the three books I wrote. I did it without an institution funding me, without an economic council or a science council funding me. I did it as an individual.

In fact, this government's $168 million publishing program is going to allow publishers to seek out people, to get all sorts of new ideas into the public conversation of Canada. We will have a tremendous proliferation of ideas and debates on a number of things.

Why do we have to have institutions for the hon. member to write his book? He would agree with me. Institutions are not needed; he can do it on his own. A publisher will approach him and his ideas can be disseminated.

I am in no way being critical of what the Economic Council of Canada or the Science Council of Canada produced, but sometimes institutions can slow down publication. Sometimes they can to some extent smooth out the hard edges of an idea because one is writing for the institution. Sometimes the ferment of ideas is more likely to come forward in an autonomous fashion, the way the hon. member wrote his book, the way I wrote mine.

I just wanted to tell my hon. friend that I do not agree with this approach that without these councils we are not going to have a ferment of ideas. Of course we will. In fact given our publications policy brought in by the Minister of Communications, we are going to have just a tremendous number of ideas that will attract the attention of Canadians.

The hon. member said that what we are looking for is the one big idea which will pull Canada together and pull us out of whatever it is we are in, I would say our economic troubles or constitutional troubles. I have to say that the Toronto Blue Jays did not win the World Series with one big home run. They won it with a lot of singles, doubles, stolen bases, good relief pitching and not with one big idea. They did it with a whole range of small, medium and a few big ideas.

This government is being asked to lead the Canadian people, and any government would be asked to lead the Canadian people, not in search of one big idea, but a whole range of ideas. When I look at the front bench and the second bench here, every minister represents different ideas to help restore the Canadian economy. Every minister has his or her own approach. There is not one big idea. The positions of the Minister of Finance or the Prime Minister will always attract the most attention perhaps, but all ministers are contributing.

It is wrong to try to put in place councils that will somehow miraculously come up with the one big idea that will solve all our problems, be they medical, sociological, economic or political.

• (1630)

It is much better to have the ferment of autonomous thinkers in academic institutions and elsewhere, writing and dialoguing, attending seminars, producing their ideas that way. In fact the $168 million for a publications strategy will probably do far more for producing that ferment of ideas than maintaining these councils which frankly are expensive and whose participants generally will still produce their ideas in different formats for academic institutions and maybe for government and the private sector.

Mr. Mills: Madam Speaker, I did read the hon. member's book when I worked in Mr. Trudeau's office. Actually I found it quite helpful. It was a well-written piece and enabled me from time to time to effectively use the machinery of government. I have never forgotten that.

I did not use the Science Council of Canada or the Economic Council of Canada when we did our work on the single tax issue. We continue to advance that idea. Hopefully one day this government will be receptive to doing a detailed analysis of it and considering it for Canadians because most Canadians would like to see this government take a shot at comprehensive personal and corporate tax reform.

I found that it was only after the Canadian Tax Foundation did a critique of our work on the single tax that we started getting some response in terms of having a viable idea.

An hon. member: They are not government financed.

Mr. Mills: That is not the point. The point of the matter is that this particular organization, the Economic Council of Canada, has a data base of information and research that assists all kinds of operations from other legislatures, corporations and educational institutions across the country. So one should not think that they are just self-sufficient. They give information to all kinds of agencies across the country that are doing their own creative thinking.

That is the point I think the government is missing. They represent a solid service. A service that has credibility for some of the research going on in fields in so many different sectors.

When I talk about the one big idea, I am not talking about just a single idea. I am talking about an equation that will pull everyone together. I mentioned the example of John F. Kennedy saying: "We are going to put a man on the moon". It was not the actual event of a man being put on the moon which pulled everybody together. It was the fact that the objective got everyone working together. It stimulated everybody, those in grade school right through to those in the think-tanks, research centres and corporations all around the world. He gave the people a vision of hope. That vision of hope was partly given to him by some of the best and brightest surrounding him.

That is the whole purpose of these think-tanks. It is for the Prime Minister and his cabinet to listen to some of these people from time to time. He does not have to agree, but they are instruments for advancing debate. They are instruments for helping people move to a new level of hope and a new level of opportunity.

It may not necessarily be the Economic Council of Canada which comes up with an idea but its service and work on a particular idea might motivate some think-tanks in a university in some other part of the country to come up with some ideas. The whole notion of sending out a signal that we are going to do away with the idea generating institutions is counterproductive.

Mr. Greg Thompson (Carleton—Charlotte): Madam Speaker, it is a pleasure to take part in the debate on Bill C-63.

I do not take exception to everything that the hon. member has just said, but we are debating Bill C-63 which really gives effect to a commitment we made in the February budget of this year in order to streamline government, make it more efficient, make it more effective. What we are talking about is the elimination of six bodies only in Bill C-63.

I want to remind the House that those bodies are: the Economic Council of Canada; the Science Council of Canada; the International Centre for Ocean Development; the Canadian Institute for International Peace and Security; the Law Reform Commission; and the Canada Employment and Immigration Advisory Council.

In a debate like this we can drag in everything and I think the opposition has effectively done that. We have to focus on what this bill does. What it does is to respond to a need expressed by the Canadian people. That need was pretty evident last year during the minister's pre-budget consultations.

From one end of Canada to the other Canadians are talking about streamlining government, making it more efficient and more effective. At the end of the day they want less money spent on the delivery of services.

Mr. MacWilliam: It is about silencing your critics. Shoot the messenger.

Mr. Thompson: Madam Speaker, the hon. member hollering from across the floor hopefully will have a chance to speak. If he could give me the opportunity, I will say what I have to say and hopefully he will have a chance before the evening ends as well.

To put this in perspective, we are talking about six organizations only in this debate. I want to remind the House that the federal government currently maintains more than 400 separate organizations and advisory bodies. At the end of the day, there is a great cost to that. Also included are 26 statutory government departments, 80 departmental agencies, 54 Crown corporations and over 200 boards, tribunals, councils and other advisory boards.

As we often say, you do not have to be a rocket scientist to calculate the cost of that. The cost is immense to the Canadian people. They have told us they want less government, not to say that they want less service, but they want less government and good service at the end of the day. I am not convinced that we are going to achieve that by maintaining the *status quo*. We have to take action at some point and I think we have taken constructive action.

To prove what we are doing is correct, I want to step through each and every one of those organizations and think-tanks we are talking about today.

The first one is the Canada Employment and Immigration Advisory Council. The role of that council is to advise the Minister of Employment and Immigration on matters of concern to that department. That advisory capacity has been replaced by the Canada Labour Force Development Board with parallel regional and local boards. What we have again is a duplication in government and an unneeded cost to the Canadian taxpayer. It is an expense we do not need and we are taking action to eliminate that waste of money.

The Law Reform Commission is another one where its duties are being replaced free of charge by other organizations.

• (1640)

In fact, the minister and the department are taking advantage now of the Canadian Bar Association as well as federal and provincial government departments to develop proposals for law reform. Why keep a commission that is not needed? No reason. Let us not get lost in the rhetoric of the day.

The Economic Council of Canada was established in 1963 at a time when governments had money to spend and when balanced budgets were commonplace or at least were possible if you attempted to achieve balance in expenditures and revenues. That is not the case today. If it were, I am sure we would achieve it.

A great deal of its work is being replaced by the universities, public policy think tanks such as the Conference Board of Canada, the C. D. Howe Institute, the Fraser Institute, and the Institute for Research on Public Policy and private sector groups. Those institutions are doing the same work as the Economic Council of Canada. Certain federal organizations and federal departments do that very work today and they are being paid again by the taxpayers. The Department of Finance and the Bank of Canada are the institutions I am speaking of.

An overlap exists between the mandate of the Science Council of Canada and the programs of those of other organizations.

Let us take a look at those organizations that are doing the very same work. They are departments and agencies with science and technology mandates. The National Advisory Board on Science and Technology and non-governmental policy organizations are doing similar work, as are more specialized sectoral commentators, institutions and centres of research on science and technology.

The International Centre for Ocean Development was set up in 1983 under the previous regime. The government has concluded after nine long years that these functions can now be fulfilled more economically by assigning these activities to the Canadian International Development Agency. Again, duplication. Is it necessary? Absolutely not.

The Canadian Institute for International Peace and Security was established in 1984. We concluded that these functions can now be fulfilled more economically by assigning these activities to the Department of External Affairs.

If we stepped through all six of these agencies, their work is being duplicated by others inside and outside government. We have to exercise the responsibility that has been handed us. Is it not important that we recognize this duplication in government and the extra spending of taxpayers' money?

The argument used on the other side of the House is simply that the moneys saved are minuscule. Is that not the case in everything we attempt to do on this side of the House? No matter how much we save it is never enough. No matter how much that is, it is always affordable if you are in opposition.

Take a look at the dollar value attached to this movement to exclude or eliminate those agencies. Let us look at the total cost. I am speaking now of the 46 agencies targeted during the budget presentation in February of this year. It is estimated that for the 46 agencies and bodies mentioned in the budget speech, including the six covered by the legislation of which were are speaking today, the saving will be $22 million this fiscal year. In the words of the opposition that is just a minuscule amount of money. It does not mean anything, $22 million.

An hon. member: That is not what we said.

Mr. Thompson: If we look at the over-all cost of government maybe it is not, but the accumulation of $22 million here, $22 million there, or $22 million some place else adds up at the end of the day. In fact, it will add up to about $71 million by the 1993-94 fiscal year if we had done nothing. The total savings over the next five years will be $310 million. That is significant.

Do you remember the old phrase, what is a million? I guess today it is, what is a billion, but $310 million is still a fair chunk of change. It is a chunk of change that the taxpayers cannot find because as members on both sides know, whether it is an provincial NDP government or it happens to be Liberal, or a federal government that happens to be Conservative, at the end of the day no matter where you are in this country of ours, from Newfoundland to B.C., times are tough. Attempting to find $310 million is pretty difficult. The only way we are going to find it today I would suggest is to borrow money and we have done too much of that in the past. We are not going to do more of it.

I do not think the issue should be confused. When the member across the way spoke about galvanizing the Canadian people, trying to instil confidence in Canadian people, moving the economy down the road in the direction we want to see it move, I am not sure we can do that by maintaining agencies that are there at the expense of the taxpayer and are unnecessary. That is what we are talking about. I do not think we should allow the issue to be confused. We are not talking about anything else other than ending some duplication.

When they are talking about ripping the heart out of the Canadian economy, destroying confidence in the country, taking away the ingredients that might move our economy down the road in the right direction, I do not think we can buy into that logic because it is illogical to think that eliminating duplication in government has anything to do with jump-starting or moving the economy along.

Do not let that argument get in the way of common sense. What we are doing in regard to the elimination of these agencies is the correct thing to do.

As I mentioned, each one of these bodies, each one of these organizations by its actions, its deeds, and what it accomplished is already being accomplished by another level of government or another agency outside of government. That is the argument. Let us not confuse the issue.

The Acting Speaker (Mr. Paproski): It is my duty, further to the agreement made earlier this day, to inform the House that the questions to be raised tonight at 6 p.m. are as follows: the hon. member for Cape Breton Highlands—Canso—Fisheries; the hon. member for Cape Breton—East Richmond—Westray coal mine.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I would like to say to the member opposite that we do not consider $29 million a small amount of money. No one said that here today. We were not being disrespectful of a sum of money.

• (1650)

If the Tories really do believe that these institutions are not serving any policy objective, then why did they not cut them a quarter of a billion dollars ago? Why did they not cut them in 1985 if they were so committed to this? Why did they, if they consider these institutions a waste today, not consider them a waste in 1984? Why did they not make the decision then when they could have saved taxpayers a quarter of a billion dollars?

The discovery in year eight that these institutions were a waste of money is not logical. It seems to me if their logic holds, then they should have made the cut then. The thing that makes this operation so distasteful for me is the fact that there are so many other departments, agencies and services of government that are going through budget cuts, and I salute those budget cuts.

Many corporations, many families are making budget cuts because we are in a period of economic pain. What bothers me about this particular case is that the Tories are not turning to the Economic Council of Canada or the Science Council or the Canadian Institute for International Peace and Security and the others and saying: "Listen, we have all had a tough time here. There are very few resources because of the downturn in the economy. The debt and the deficit is high because of unemployment, therefore we want you to take some cuts like everyone else".

Would that not be a more logical way to go, more consistent and more fair? That way we would still retain the core strength, the history and all the resources that these institutions have. I believe the economy will come back on track soon. I happen to be one who shares the view of Tom McCormack that the 1990s are going to be better than the 1980s.

I am not speaking here as someone who is negative. I am trying to appeal to your common sense. Just tell these organizations that they have to cut back, they should not get any increases in salaries. In fact, in many corporations these days people are taking cuts in salaries, as many families are doing.

Why can we not apply the same test to these organizations before the door is shut on them and before they are dismantled?

Mr. Thompson: Mr. Speaker, how much time do I have to respond to that question?

The Acting Speaker (Mr. Paproski): You have eight minutes.

Mr. Thompson: That is all the time that is required. It is a very broad question but the member started out by suggesting that if we were serious in 1984 about doing what we are doing, why did we not do it then.

That is a pretty fair statement. He was not a member of this House at the time, nor was I, but if I had been I would have suggested it then and not now. That is easy for me to say, is it not?

Mr. Keyes: It is on the record now.

Mr. Thompson: That is right. The fact is that no matter whenever one decides to do something like this, it is never easy.

I know there are some members on this side of the House who are not in total agreement with some of the decisions. There is no question about it. For every decision, there is always someone who is railing against it. No matter how good it sounds to you and me, there is always someone who is hurt by that decision.

That is the difficulty when you form a government. Perhaps the government should have, in 1984, taken a look at some of those institutions and made the tough choices back then but that did not happen. I guess that is hindsight. It did not happen. Maybe it should have but it did not.

Going back to the member's question, if he is saying it would have been a smart action by the government then, it is even smarter to do it now and all the rest is hindsight. Unfortunately we cannot return to pre-1984 days.

It was suggested maybe we should have taken a broader look at more agencies and departments of government and just cut back a little. By doing that we may not have had to eliminate some of those agencies. I think the suggestion within the question was we would not have had to do as much radical surgery.

In terms of duplication of government, I have tried in a very systematic way to step through all six of those agencies and explain why they are not needed. Again the basis of my argument is duplication in government. If we can save money and still maintain services to the Canadian people it is incumbent upon us to do that. I do not regret supporting the elimination of duplication in government.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, just before I begin, I wonder if you can give me some guidance, because it is very near private members' hour. Will the debate cease in one or two minutes and pick up again after private members' hour?

The Acting Speaker (Mr. Paproski): Yes.

Mr. MacWilliam: This evening we are speaking on Bill C-63, which is an act to dissolve or terminate certain corporations and other bodies. I want to say I am standing up along with my colleagues to oppose this draconian piece of legislation.

Let us just have a look at what this legislation purports to do. It will affect some 1,200 employees, cut some 500 jobs and proposes to save a mere $22 million per year. That is not chicken feed. We all know $22 million is a lot of money, however I hope I can demonstrate there are many other areas in the federal service where we can save a heck of a lot more than $22 million and still maintain the viable and very valuable programs these particular institutions, which are going to be chopped entirely, do provide.

Let us have a look at the institutions which are affected. The Canada Employment and Immigration Advisory Council is gone. The Law Reform Commission of Canada has been deep-sixed. The Canadian Institute for International Peace and Security is gone. The Economic Council of Canada has bitten the dust. The International Centre for Ocean Development, another world-class research institute has also bitten the dust. Finally, the sixth casualty of this administration is the Science Council of Canada.

I want to submit the reason this government has chopped those bodies has nothing to do with budgetary restraint. It has nothing to do with saving $22 million. It has everything to do with silencing the government's critics because every one of these institutions at one time or another has been critical of the policies and initiatives of this government.

The Acting Speaker (Mr. Paproski): The hon. member will have 18 minutes left in his speech plus 10 minutes questions or comments.

It being five o'clock, pursuant to Standing Order 30(6) the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

CRIMINAL CODE

MEASURE TO AMEND

Mr. Peter Milliken (Kingston and the Islands) moved that Bill C-350, an act to amend the Criminal Code (hate propaganda), be read the second time and referred to a legislative committee in the Departmental envelope.

He said: Mr. Speaker, I am pleased to rise today to move second reading of this important but very short bill.

This bill is an amendment to section 318.(4) of the Criminal Code of Canada. That section prohibits the incitement of hatred against an identifiable group. I quote from the words of the act: "distinguished by colour, race, religion or ethnic origin".

The bill would amend this section of the Criminal Code by adding to the list of persons or groups of persons, those who are distinguished by age, sex, sexual orientation or mental or physical disability.

This bill is based on a resolution which was passed last February by the Kingston Police Services Board. The board prepared this resolution after receiving complaints from members of the public who were upset with various comments in the press particularly, but comments these persons believed promoted hatred against segments of society which were not protected by the wording of the Criminal Code as it now stands.

The citizens were upset with statements which suggested, for example, persons infected with AIDS or HIV should be cast out from society and somehow excluded from the normal living standards the rest of us have come to expect because it was some kind of punishment they deserved for having contracted this disease.

It was felt that by changing the words of the act this kind of nonsense could be stopped because it would constitute hate literature and would not be published.

I believe this particular section is important in our country. It is a hole in the law, notwithstanding the fact that prosecutions under section 318(4) of the Criminal Code have been exceedingly rare. I do not want to go into the history of prosecutions under this section particularly. I do not think they are terribly relevant today, but I must say prosecutions have been exceedingly

rare under this section either successful or otherwise. I understand very few have been launched but I do not have precise figures on that.

By expanding the wording of the section I believe we can help create a fairer society for persons who suffer as a result of the publication of hate literature. I also believe some of the material I have seen occasionally must come very close to, if not constitute literature that does promote hatred against one of the identifiable groups I have listed in Bill C-350.

I want to thank the Kingston Police Services Board for drawing this hole in the law to my attention. I was pleased to be able to have this bill drafted and submitted to the House and that it made its way through the tortuous process of Private Members' Business to be drawn and made available for debate today. Unfortunately it was not chosen as a votable item. I would hope at the conclusion of the debate today there might be unanimous consent to allow the bill to receive second reading, notwithstanding that it is not votable, and have it referred to a legislative committee so it could be studied there. I do not think there would be general objection to the bill or any aspect of it in the House.

Looking at the history of this bill, section 318(4) of the Criminal Code was introduced into the code in 1970. The debate that took place then was a fairly vigorous one. There was considerable opposition to including hate literature as something that should be prohibited in Canada. The argument was very clear, that it was an infringement on the right of freedom of speech. There is no doubt it is an infringement on that right. It was introduced as such an infringement and it was clear the purpose of the infringement was to limit people in their exercise of their right of freedom of speech from carrying on in a way that was harmful and incited hatred for others.

I had a brief glance through the debate. I found a speech by the hon. Lincoln Alexander who was then the member for Hamilton West. I know my colleague who seconded the motion today is now the member for Hamilton West and certainly would be very familiar with the hon. Lincoln Alexander, the former Lieutenant-Governor of Ontario who also served a very distinguished record of public service after he left this House.

In any event he made a speech in the course of the debate on Bill C-3 as it then was, the bill that in 1970 introduced this section of the Criminal Code. I thought it might be insightful if I were to quote from various aspects of the hon. member's speech. He said, as reported on page 5610 of *Hansard* for April 7, 1970:

> I do not know whether the bill is perfect. Perhaps it is not perfect. Maybe it is contrary to the thinking of some of us—.We as Canadians and parliamentarians must discuss this type of legislation. Perhaps this legislation would not have been necessary had we followed, as I indicated in my maiden speech, the advice of one Adele Florence Corey. I should like to quote from *Hansard* of September 20, 1968—but remember that when I first spoke in this House I was more nervous than I am now. As recorded at page 291 of *Hansard* for September 20, 1968 I mentioned that this woman had said a long time ago, I said:
>
> > She said that men should be judged not by the colour of their skin nor by the way they fight, love or sin, nor by the gods they serve or vintage they drink, but by the quality of the thoughts they think.

The words that Mr. Alexander quoted at that time are relevant in the debate today. They indicate that the judgment that we pass on others is not to be based on outward appearance, apparent illness, apparent disability or age, but rather on the quality of the thoughts they think. He has typified the kind of generosity of spirit that I believe this bill tries to inspire in our fellow citizens.

He went on later in his speech, quoting the former member for Hamilton West, Mr. Alexander, as reported at page 5611 of the Commons *Debates* for April 7, 1970, to say in discussing the same bill:

> Then, Mr. Speaker, last but not least we come to legislation. When all else fails with the good intentions of mankind and with the background man professes to have in Christian love and brotherly love, and that cannot arrive at the necessary solutions, I respectfully state it is my public duty as a parliamentarian to start thinking about legislation.

It was an excellent speech. Mr. Alexander displayed on that occasion the kind of generosity of spirit that was important. He said that we were not able to overcome people's hatreds and the way they express them just by encouraging people to expand their horizons and broaden their views. Sometimes we had to do it by legislation, resort to legislation to prevent people in our society who wish to expound this kind of hatred from doing so. He

was prepared as a legislator then in 1970 to agree to the section of the code that is now section 318(4).

Why are these changes that I propose today so important? Frankly I think the world has changed since 1970. In 1970 the House was prepared to agree to a list that included colour, race, religion and ethnic origin. Since that time we have become much more aware of the women's movement, for example, of the importance of the elderly and of young people and the violence that is done to both age groups in our society. We have been through the International Year of the Disabled and our awareness of persons with disabilities is far greater in 1992 than it ever was in 1970.

We have changed our approach in dealing with these people in a host of ways. We have allowed them and encouraged others to raise awareness of the problems that are confronted by persons who fall into these categories. In so doing, we have not made the law sort of catch up with the way we feel about these kinds of groups and the way we have reacted to these kinds of groups and responded to their concerns. Because the groups have become vocal and are expressing the needs, wants and desires of the members of their groups, they naturally have raised their profile and have become subject to attack. It is that kind of attack when it takes the form of hate literature that this legislation is designed to prevent.

• (1710)

The purpose of the legislation is to protect these groups from this kind of hatred, from this kind of publication. The need was simply not there in 1970 because these groups were not as active, were not as vigorous, and were not promoting the rights and responsibilities of their members the way they are today.

Some may say it is unfortunate that we have groups promoting their rights, that it is very divisive in our society. It may be. However I am prepared and I think most members of this House are prepared to live with those divisions. We have all become accustomed to those divisions. What we have tried to do is say: "Yes, we recognize that you have a legitimate role to play as an advocate for the group that you represent". The interests of the members of that group are very important. We try to balance those interests and create a situation where all citizens are treated fairly, regardless of the distinction that is based on the items I have listed.

By seeking to protect those differences, those different rights, and the specific rights that belong to each one of us, I think we are safe in saying that we should protect those rights by ensuring they are not made the subject of hatred by reason of the publication of hate literature. That is why I think this amendment is so important.

Our society has aged and perhaps that has something to do with why we would want to include age in such a list. Certainly sex has been a subject of considerable debate for the past decade at least. I am sure, were my colleague from Halifax here, she would want to say something on that subject and the importance of the changes that have taken place in women's rights in this country in the last 10 years or 15 years. That was not an issue in 1970 to the extent that it is today. Public awareness was simply not there.

These changes, while they may seem very simple and very basic, are ones that frankly are moving to bring the law into the latter part of this century, certainly into the 1990s. Had these issues been simmering at the point they are now simmering or boiling, however we want to describe it, in 1970, they would have been included in the original amendments to the Criminal Code. But they were not and so we are faced with a situation where I think the code should be brought up to date and that is what I have sought to do by this amendment, having been urged to do so by the Kingston Police Services Board.

I do not think there is much I can add to explain the bill to hon. members. As I say, perhaps at the conclusion of the debate we might look at the possibility of expediting the bill, giving it second reading and forwarding it to a legislative committee. At this point it would be appropriate if I conclude my remarks.

Mr. Scott Thorkelson (Edmonton—Strathcona): Mr. Speaker, I appreciate the opportunity to address the proposals which have been advanced in Bill C–350 by the hon. member for Kingston and the Islands. I know the hon. member for Kingston and the Islands and I know his interest in legal matters and reform of the legal system. I have had the opportunity to serve with him on the privileges and elections committee. I enjoyed that very much and I am pleased to take part in this debate today.

Bill C-350 proposes that the definition of identifiable group as found in section 318 of the Criminal Code be expanded to include the terms age, sex, sexual orientation or mental or physical disability.

The issue embodied in this bill is one of fundamental importance. Parliament in the past has seen fit to provide for the prohibition of hate propaganda against an identifiable group as is currently defined in the Criminal Code.

The hate propaganda provisions restrict at present the freedom of expression in Canada, but they do so in order to prevent injury to members of the identified group and to the public at large. They do it in such a way as to be viewed as a reasonable limit on the guarantee to the freedom of expression.

I note the hon. member introduced this bill last June. In August the Supreme Court of Canada held in its decision, Regina *v.* Zundel that section 181 of the Criminal Code, spreading false news, violated paragraph 2(b) of the charter which protects freedom of expression and was not justifiable under section 1 of the charter. Section 181 of the Criminal Code prohibited knowingly publishing false statements causing or likely to cause injury to a public interest. Accordingly it was ruled by the court that this section was unconstitutional and of no force and effect.

The finding of the Supreme Court of Canada that section 181 is unconstitutional may have some impact on the hate propaganda provisions of the Criminal Code. One wonders whether this decision has created a gap in the law, in our ability to deal with hate propaganda, in the sense that conduct which would have previously been prevented or deemed illegal by virtue of section 181 would no longer be caught by that section which has been overturned.

It would be useful to study this decision of the Supreme Court of Canada and then assess its implications for government policy in the area of criminal law generally and on the issue of the relationship between freedom of expression and hate propaganda in particular.

It is important to remind the House in this regard that attempts by accused to have the courts strike down the hate propaganda provisions of the Criminal Code have been successfully resisted.

In the case of Regina *v.* Keegstra the Supreme Court of Canada by the narrowest of margins upheld subsection 319(2) of the Criminal Code, otherwise called wilfully promoting hatred, as a reasonable limit of the guarantee to freedom of expression within the meaning of section 1 of the Canadian Charter of Rights and Freedoms. It agreed that there is a societal interest in prohibiting hate propaganda.

In examining the definition of identifiable groups in section 318 of the Criminal Code, in the context of whether the subsection could be a reasonable limit the majority of the members of the court in a five to four decision, a narrow decision, noted that the provision of the Criminal Code was targeted against the intentional fostering of hatred against particular members of society as opposed to any individual.

Subsection 318(4) defines the expression identifiable group as meaning "any section of the public distinguished by colour, race, religion or ethnic origin". Expanding the definition would broaden the type of speech that would be caught by the hate law and therefore could potentially put the hate propaganda provisions at risk.

In view of the Supreme Court of Canada in the Keegstra case, subsection 319(2) was designed to extend the measure of protection to visible and religious minorities so as to prevent their being exposed to hate messages and to promote racial and religious tolerance and understanding.

Expanding the definition of identifiable group to include other characteristics such as those proposed in Bill C-350 would significantly extend the narrow purpose of protecting visible and religious minorities approved by the Supreme Court of Canada in Keegstra.

Any amendments resulting in a broader range of speech caught by the legislation could give rise to the argument that these provisions no longer represent a minimal impairment of the freedom of expression. As a result, the hate propaganda provisions as amended by Bill C-350 could be more vulnerable to a finding by the courts that they constitute an infringement of the charter guarantee of freedom of speech and that they are not a reasonable limit prescribed by law in a free and democratic society.

To broaden the definition it would probably have to be established that there is a pressing and substantial objective in Canada of a significantly substantial amount of hate propaganda aimed at particular groups. Such findings would likely have to be made and sustained with respect to groups of persons characterized by age, sex or physical or mental disabilities for the proposals in Bill C-350 to be found constitutional.

• (1720)

As a result it may be a more prudent course of action not to amend the definition of an identifiable group unless and until there is evidence of the existence of a significantly substantial amount of hate material to cause harm to a group not now covered by the definition. It is expected that federal–provincial territorial ministers responsible for justice will examine a wide variety of issues associated with the hate propaganda provisions, including the issue of how the identifiable group in section 318 should be defined at its next meeting.

A thoughtful and extensive review of the hate propaganda provisions of the Criminal Code is well under way. In the interests of bringing about a comprehensive and sound law reform in this very important area, it would in my estimation be preferable to allow this process to conclude before the House considers any amendments to section 318 and section 319 of the Criminal Code.

The hon. member should be congratulated, however, for taking an interest in this very important matter and for advancing a proposal for change which is serious and very topical.

I would like to congratulate the hon. member on bringing forward his bill. It is a very important issue but, as I have said, it may not be prudent at this point in time to expand the definition because it could put at risk the hate provisions in our law at the present time.

I will conclude with that remark. Once again I want to congratulate the very eloquent member for Kingston and the Islands. He has done a lot of work in bringing forward various private members' bills to encourage discussion and debate. It was timely that we discuss this one today. I hope that the provincial, territorial and federal ministers will conclude their discussions on this issue and come forward with some reform in the law.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, as the justice critic for the federal New Democratic Party, I am pleased to stand and respond.

I want to say this before we lose the hon. member from the government. The government members always amaze me. Be careful when they start congratulating you. They will kill you with kindness. He just said that the hon. member who presented the bill, the member for Kingston and the Islands, was a wonderful member, then said how he has contributed so much to the House, and congratulated him. There was just one little problem: We are going to talk out your bill, or we are not going to refer your bill to the committee.

If I were putting forward a bill, I would prefer that the government got up and said that I was a terrible rogue but my bill had some substance and it was going to consider my bill and put it to the committee. I will take that and thanks for the congratulations. I cannot speak for the hon. member for Kingston and the Islands, but perhaps if he had a chance to speak again he would say that. Thanks for the congratulations but no thanks. Don't kill me with kindness. Just send my bill to the committee.

I do thank the hon. member for Edmonton—Strathcona for putting forward some serious legal considerations. He mentioned the recent Zundel case in the Supreme Court of Canada which dealt with section 181 of the Criminal Code and that is spreading false news. The court said that was against the Charter of Rights and Freedoms and therefore falls.

This of course deals with hate propaganda. The government member for Edmonton—Strathcona, who just spoke, raised a good question as to whether the recent Zundel case dealing with section 181 on false news affects this section on hate propaganda.

We still have this section in the law on hate propaganda. It is in the Criminal Code in section 318. I will come to that in a minute. He asked the question: "Will that affect it? Will the court decision affect this section?" That is a good question.

It seems to me that is why we should take this member's bill and put it into the committee. Let the committee have a look at that and analyse precisely that question. If you are going to wait for the federal, provincial and territorial ministers of justice—I love all of them to the last man and woman—you will wait until hell freezes over before they make a few decisions. They are still working on facilities for juveniles. They are still working on areas for better gun control. They are still working on native justice measures. They are working on them, but they work pretty slowly.

If you are going to wait for them, you will be waiting for a long time. The position of my party is that we will agree to this bill today going to the committee because I think the principle of the bill is right. Indeed, it advances some very interesting principles. We would agree with that now so that it could be done. I did not want to disturb the hon. member, but I just wanted to make that particular point to him.

Let me say a couple of things about the bill, and put it in the right context. This bill deals with section 318 of the Criminal Code. It is worth having a look. I have the Canadian Criminal Code here. Section 318 calls it "hate propaganda" and it says "advocating genocide". Section 318(1): "Everyone who advocates or promotes genocide is guilty of an indictable offence and is liable to imprisonment for a term not exceeding five years".

"(2) In this section, genocide means any of the following acts committed with intent to destroy in whole or in part any identifiable group, namely: (a) killing members of the group; or (b) deliberately inflicting on the group conditions of life calculated to bring about its physical destruction". That is of the whole group, the whole people.

"(3) No proceeding of an offence under this section shall be instituted without the consent of the Attorney General, and (4) In this section, identifiable group means any section of the public distinguished by colour, race, religion or ethnic origin".

The hon. member for Kingston and the Islands brings his Bill C-50 and proposes to add in section 318(4) age, sex, sexual orientation and mental and physical disability to the list of characteristics that may distinguish an identifiable group for the purposes of this section of the Criminal Code.

There is another bill in the House from my colleague for Burnaby—Kingsway. His bill received first reading on June 19, 1991. This bill received first reading on June 10, 1992 but the 1991 bill, the previous bill of the hon. member for Burnaby—Kingsway, just deals with sex or sexual orientation.

What has happened here is that the hon. member for Kingston and the Islands has gone further and has added age, mental and physical disability to the list of characteristics. This is very interesting. This is open to a lot of debate and a lot of thought.

I am trying to picture in my mind a group advocating the genocide of a whole group based on their age, perhaps old people, perhaps killing old people or killing disabled people. That is a very big debate in Canada today, as members know. There is the woman from the west coast who is suffering from Lou Gehrig's disease who wants to be able to terminate her life.

We do not have yet the debate of people actually getting criticized or charged who are advocating that a group be terminated. That is what this bill would deal with. I find that a very interesting question. It is hard to pronounce on the question without some serious debate in the committee on that. I think that is what we need. Also sexual orientation is in there. We have seen the extent of gay bashing and the calls from different people for eliminating that group of people. Most Canadians do not share that. It is a very small minority. Again it would fit in the context of the hon. member's bill.

• (1730)

I just want to say a couple of other things on the general subject. The member for Kingston and the Islands and the House know that the issue of freedom of speech versus restrictions on the dissemination of hate propaganda has really been at the centre of the two most notable cases, the Eckville, Alberta high school teacher, Jim Keegstra, and the recent case of Ernst Zundel. Zundel was originally convicted of distributing racist literature through the mail, publications that question whether the Nazis killed six million Jews in Europe during World War II.

These are not academic questions. Watch the news and see what is happening with the neo-Nazis in Germany coming back. I personally am a civil libertarian. I belong to the Civil Libertarian Association, Amnesty International and other associations. I really do not want to see Nazis back. There is only one way to deal with Nazis. They have to be dealt with toughly. That is why we need to have these kinds of laws.

When people say that the holocaust did not happen, they are essentially rewriting history and trying to pave the way for the return of Nazism and fascism. That is what it is all about. We should not be fooled. It is not a question of civil liberties. It is a question of fascism and hatred and Nazism, ultimately.

I want to point out to the House that in March 1984 there was a special parliamentary committee on visible minorities in the Canadian society. They had a number of interesting recommendations. Section 35 called for the deletion of the word wilfully from that definition in the code. This would remove the difficulty that the Crown has in having to prove that the accused specifically intended to publicly promote hatred against an identifiable group. That is a very hard thing for the Crown to prove.

Recommendation No. 36 called upon the Department of Justice to amend the hate propaganda section of the Criminal Code in order to remove the necessity of having the Attorney General consent to prosecutions. That is not in the member's bill, but he might consider those two further aspects of the bill. If it went to the committee, it could look at that.

In July 1984 the Canadian Bar Association had a special committee on racial and religious hatred. It produced a document favouring stronger curbs on hate propaganda. I just want to refer to that: "After evaluating the conflict between egalitarian and libertarian values, the committee concluded that the weight of argument rested with the view that the law does indeed have a role to play in curtailing racial and religious hatred in the dissemination of hate propaganda".

Noting that the framers of our constitution supported the concept of legislative intervention, the special committee of the bar stated: "We ought not to shy away from strengthening the convictions which we have already put in writing in the Criminal Code".

The debate in Canada as to whether you like freedom of speech or laws that restrict freedom of speech is continuing and is at the core of these kinds of bills. As the member knows, we already have laws against libel, slander, defamation, contempt of court, obscenity and laws against incitement to riot. You do not walk into a theatre and yell fire. In other words, we do restrict freedom of speech in some ways in the extremes. This is a case advocating genocide as an extreme that must be regulated.

I want to cite the cry that was attributed to Voltaire: "I disapprove of what you say, but I will defend with my life your right to say it". Voltaire is saying that you can pretty well say anything and he will defend your right to say it.

The Acting Speaker (Mr. Paproski): Your time has expired by two minutes. I will allow one sentence.

Mr. Waddell: Mr. Speaker, I thought I had longer. I would just like to say that this bill is very interesting. It is very important at this time. This is a huge debate in the country and the world. The bill is well thought out. It should go to committee. The House should put it through today on principle, and we should deal with some of these issues in the committee. That is where it should be dealt with.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, I consider it a privilege to have the opportunity to not only second the motion put forward in the House by my colleague the hon. member for Kingston and the Islands on Bill C–350 but also to speak to the bill for what brief time I have.

There is a bit of *déjà vu* because it was just last week when an attempt was made by myself on behalf of constituents in Hamilton West to have a Private Members' Bill move from second reading stage to committee stage so we could deal with amendments I had proposed to the Criminal Code with respect to parole and bail. I attempted to bring it to committee stage in order to have a complete, thorough, frank, and open discussion on a particular matter concerning the Criminal Code.

That is really what we were elected for in the first place, was it not? We were elected to bring the concerns of our constituents forward to the highest court in the land, as the member for Kingston and the Islands has done through his private member's Bill C–350, so that they can be put to a committee where there can be open discussion.

What we are dealing with here, as has been so eloquently put forward by the previous member and the member for Kingston and Islands, is the amendment the member seeks to section 318 of the Criminal Code, specifically subsection 4.

The hon. member is asking that the phrase identifiable group now mean:

> any group of persons who are distinguished by colour, race, religion, ethnic origin,

And here are the additions:

> age, sex, sexual orientation or mental or physical disability.

We say to the government: "Welcome to the 1990s". I would like to remind the House of a speech made in this House by the former hon. member of the riding I now have the privilege to represent. The Hon. Lincoln Alexander said in a speech on the original section 318:

> You cannot legislate love, nor can you legislate against prejudice. But, Mr. Speaker, surely you can legislate against the overt act of discrimination. I do not know whether this bill will work, but I hope it will. It can work in this area, in that it is a form of education. But it is a form of education the hard way.

It is a form of education.

What does Bill C-350 do? It updates us to the 1990s because today we are talking about, as the member's bill states, age, sex, sexual orientation, or mental or physical disability.

Back when the hon. member for Hamilton West, Lincoln Alexander, made his remarks in 1970 they were very applicable. In 1970 we did not realize the difficulties facing the disabled in our society. We did not appreciate what the physically disabled in our society had to put up with.

That is really what they did. They had to put up with the lack of services that affected them in everything from entering a grocery store to dialing a phone in a phone booth. In the 1990s we can say we have recognized their concern, in part because of the hard work by those organizations representing the disabled. They have come forward to us and said: "Look, here is our problem, help us out", and we acted to help them out.

This is an opportunity today for the Criminal Code to be updated to incorporate their concerns.

• (1740)

The member for Kingston and the Islands expressed very eloquently how the Criminal Code must be updated. There are many sections in the Criminal Code. It is a pretty thick book. There are many aspects of this book that do need to be brought up to date. We can only accomplish that if we can allow an initiative to get to committee stage.

There is no ulterior motive on the part of the member for Kingston and the Islands. This is not a press grabbing issue. This is not something that the member for Kingston and the Islands is trying to get some headlines with. He has just taken a piece of the Criminal Code, on behalf of the constituents he represents, and he said: "Look, all we have to do is get with the times here, folks. Get with the times. Age, sex, sexual orientation or mental or physical disability should be added to the list of those identifiable groups already found within the Criminal Code in section 318".

The hon. member for Edmonton—Strathcona said that the government has proclaimed that the job of expanding the definition of section 318 is somehow vulnerable in the courts of our land. He certainly has not demonstrated to me or anyone on this side of the House exactly where it is vulnerable.

He referred to the Keegstra decision. The Keegstra decision was on section 319 not section 318. The hon. member is presenting a bill dealing with section 318. To broaden the definition, says the member for Edmonton—Strathcona, would be to identify the existence of a greater problem. Glory be, no kidding. That is exactly why the hon. member wants to put forward this amendment.

Where can we do it? In this place there must be an appreciation that the government should not always be responsible for all change. Tragically, I am seeing more and more that other members, who are caring and sensitive, on the other side of the House or even in their own party, who sit on the backbenches or in opposition have legitimate issues to bring forward through a private member's bill or a private member's motion, but time and time again there is a thin, narrow, weak excuse to kill the bill or the motion. That is a shame.

The hon. member for Kingston and the Islands is not asking for this amendment, through his Bill C-350, to become law today. It will not become law if we say: "Yes, we are in favour of this idea". It is a request to have it moved to committee stage so that we can have an open and frank discussion. That is all he seeks the floor to do today.

We ask the government to give him, an opposition member working hard on behalf of his constituents, the opportunity to do just that.

Mr. Blaine A. Thacker (Lethbridge): Mr. Speaker, I too am privileged to speak on this Private Member's Bill and answer some of the points raised by the previous three speakers.

I must say at the start that I am going to smother my good friend with more kindness. I am unable to give unanimous consent to this bill, but for some very good reasons.

First, on private members' hour, my good friend knows that this is a valuable debate to have. It goes into the general discussion pool. It will be discussed by the ministers of justice from all the provinces and territories and the federal government. It will go into that mix. They will take our discussions today into consideration. There is no doubt about that.

This bill, far from being a criticism of the current law, really endorses the current hate propaganda provisions. It does so by extending the groups to which the provisions would apply by adding groups defined by age, sex, sexual orientation, and mental or physical disability. It will not even be lost because it will come up again as a private member's bill. Unfortunately, it was not one of the five chosen to go to a vote in this session of Parliament. However, even going to a vote is a very unique provision. The power that we now have as private members of Parliament has been augmented dramatically, in a geometric fashion, with the Parliament passing those changes to the Standing Orders which permit five Private Members' Bills to come to a vote.

I wish my good friend who just spoke had been here five or ten years ago with a private member's bill. Nothing got anywhere. Therefore, we are still a major step ahead.

With respect to the intervention by my friend from Port Moody—Coquitlam in which he said that the ministers of justice are perhaps too busy and therefore it should be sent to the justice committee, I would like to say that at this point in this Parliament the justice committee is very busy too.

We are doing a major study on crime prevention for which some very interesting witnesses are appearing. A subcommittee of the justice committee is looking at the national security, as well as the codification of a new general part of the Criminal Code which raises those issues of consent to death and euthanasia.

We are currently reviewing two cases of parole that resulted in the death of police officers. Then there are the usual annual reports and GIC appointees. Therefore, the justice committee itself is really pressed at this moment.

Parliament is going to recess in a couple of weeks from now on December 11. Given the need to have an election by next November it is quite possible that the House would come back in February, there might even be a prorogation. We might then go out and have an election straight away.

Therefore, the likelihood of a committee being able to do much work on a practical day-to-day basis is quite small. That is not to say that this is not valuable though. The reason I want to speak is so that my comments will also go before those ministers of justice.

Section 318 of the Criminal Code right now prohibits the advocating or promoting of genocide against any section of the public distinguished by colour, race, religion or ethnic origin. Inciting hatred against a protected group by communicating in a public place statements which are likely to lead to a breach of the peace is dealt with in subsection 318(1).

Communicating statements other than in private conversation which wilfully promote hatred against a protected group is dealt with in subsection 319(2).

I want to make a comment for my friend opposite, and I wish in the next round to hear from him on this. As we know, at least if my recollection is correct, when it has heard these cases the Supreme Court has declared that these parts of the code are *prima facie* a contravention of the Charter of Rights, but they are saved by section 1 of the charter because they are a reasonable limit on our fellow citizens' fundamental rights.

It is important to consider whether, if this bill were to pass, it would expand section 318 so far that the court would not save it under section 1 and we would therefore be doing what none of us want to do, which is to wipe out the whole section. Therefore we would then be faced without a law dealing with the incitement of hatred against a protected group by communicating in a public place or with statements likely to lead to a breach of the peace or that advocate or promote genocide against any section of the public distinguished by colour, race, religion or ethnic origin. It is a very interesting point. I am not sure in my own mind what I think about that, other than I know we want that section to be in the code.

• (1750)

In this day and age, these very powerful special interest groups totally lack the ability to see the world in its broad context. They are very much caught up in tribalism, whether it is racially or ethnically motivated or just in their ideas and have no ability to realize that other people's ideas are equally valid and their ideas are really wrong. We accept the fact that we are all human beings in this world. Surely there are not many people who would deny that, but I guess there are a few.

Till South Africa started to move, the fundamental basis of apartheid was the acceptance by people who believed in apartheid that the majority were not human beings. That is the whole fundamental underlying basis of apartheid, that another group of humans is not in fact human.

It is the same with fascism, nazism. They just deny the reality that some people are human beings, based on their religion and their ethnic origin. It is absolutely an abominable thing. The point is that we do not want to put in words at this early moment that which might lead to the whole section being struck down.

In addition, the Criminal Code provides for the seizure and forfeiture of hate propaganda kept in the premises for sale or distribution. That is section 320(1) and (4).

A person charged with advocating genocide is liable to five years imprisonment if charged with the offence of the public incitement of hatred or of the offence of communicating statements which wilfully promote hatred.

A person is liable is two years imprisonment if prosecuted by way of indictment or to six months and/or a $2,000 fine if prosecuted by way of summary proceedings.

The Criminal Code also provides for four special statutory defences which an accused may raise if prosecuted for wilfully promoting hatred. These are: (a) the statements communicated were true; (b) the statements expressed or attempted to be established by argument in good faith and opinion upon a religious subject; (c) the statements were made on a subject of public interest which on reasonable grounds are believed to be true; and (d) pointing out in good faith for the purpose of removal, matters producing or tending to produce feelings of hatred.

Except for the offence of public incitement to hatred, the consent of the provincial attorney general is required to obtain a seizure or to initiate a prosecution under the Criminal Code's hate propaganda provisions.

Mr. Speaker, I guess that is my final point. You are signalling that my time is finished. That is the final reason why it should go before this group of provincial ministers, the federal minister and the territorial people. I am sure they will come back with recommendations that are very reasonable.

The Acting Speaker (Mr. Paproski): There being no further members rising for debate, the time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

Mr. Milliken: Mr. Speaker, I rise on a point of order. In light of the support shown for the bill, I wonder if there would be unanimous consent to allow it to receive second reading at this time and be referred to committee.

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

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Paproski): There is not unanimous consent.

An hon. member: Did we call it six o'clock?

The Acting Speaker (Mr. Paproski): For the hon. member's purpose we did call it six o'clock. We were trying to get most of the members in here so that we could continue on with debate without suspending the sitting.

Adjournment Debate

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

FISHERIES

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, I would like to return to a question I asked on May 11 concerning an extraordinary meeting of the fisheries commission of NAFO, the Northwest Atlantic Fisheries Organization, to deal with blatant overfishing by the European Community, principally by Spain and Portugal, on the nose and tail of the Grand Banks. That special meeting of the NAFO fisheries commission, which was called at Canada's request, ended in uncertainty. Canada came away with little more than proposals for reform or, worse still, the EC's flat out rejection of their role in the stock crisis.

At that time my colleagues and I told the government that this situation was far too serious to leave solely to diplomacy. We urged the government to act, to introduce legislation now, to extend Canada's custodial management zone to include all of our continental shelf. The fisheries minister said no. He did not want to "howl and bawl and use exaggerated rhetoric". Extending jurisdiction is not a new or wild notion and calling upon the minister to implement such a policy is not wild rhetoric.

Much has happened since I asked my question on May 11. In June governments across the world met in Brazil for the UNCED. This impressive international meeting of state leaders offered our government another chance to change things. To its credit, Canada joined about 40 other countries in sponsoring the resolution on high seas fishing conservation and management, a resolution which passed.

We still could not convince influential countries like the U.S. and the EC to support it. We will have an opportunity to follow up on the UNCED when a special international conference late next year addresses fisheries issues, especially those regarding straddling stocks.

It certainly cannot happen soon enough for Atlantic fishermen. In July the minister imposed a domestic moratorium on the Newfoundland northern cod fishery, putting over 20,000 Canadians out of the fishery, some for the length of the moratorium and many others forever.

Also in July government scientists released their domestic stock assessments and quota advice for all 1993 Atlantic fish stocks. It calls for drastic cuts, in some regions up to 80 per cent. Frustrated fishermen, plant workers and communities everywhere are bracing themselves for a rough ride next year.

Some hope arose from the September NAFO meetings when the European Community made a solemn promise to follow NAFO quotas in 1993, something which it has never done.

At the same time the EC scuttled Canada's attempt to change the objectors clause, the very loophole through which EC overfishers have jumped for years. There is absolutely nothing stopping the EC or any other NAFO country for that matter from using it again, except perhaps the knowledge that Canada is fully prepared to extend its jurisdiction if they do.

I hope the federal government will make it perfectly clear that it is prepared to act in this matter should it be required. Canada spends about $400,000 annually in membership dues to NAFO. The minister of fisheries must ensure that this money is well spent.

The Liberal Party has decided to recognize the small steps that have been achieved on the international front. Progress has been made but much more will be necessary to ensure the future of our fishery and the future of the individuals in communities that depend upon it for their livelihoods.

Fishery communities in my riding are watching this government. Fishermen are realistic and most recognize that domestic catch reductions and other restructuring measures may well be necessary to sustain the fishery in the long term through this crisis.

They also know that the federal government must stay tough with its international friends. Unless it does, fishermen will find it extremely difficult to accept the tough quota cuts and jobs losses being imposed on them.

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I am very pleased to respond to my hon. friend from Cape Breton who, by the way, represents the area where I was born.

At Canada's request, the fisheries commission of the North Atlantic Fisheries Organization, NAFO, met in a special session at Dartmouth, Nova Scotia, last May to discuss Canada's proposals to improve surveillance and control of the NAFO regulatory area outside Canada's 200-mile limit.

New measures developed by the special session were reviewed and adopted at the annual meeting of NAFO in September. All NAFO members, including the EC, have agreed to put them in place. Together these new measures represent yet another important step forward in ending overfishing on the Grand Banks outside Canada's 200-mile zone.

The measures adopted in September include a pilot project for an observer program of the NAFO area. Canadian fisheries managers have found the use of observers to be an effective surveillance measure inside the Canadian zone. Beginning in January 1993, observers will be placed on vessels outside 200 miles during 10 per cent of the fishing days.

• (1800)

Important new measures were been adopted to eliminate fishing for undersized fish. Minimum mesh sizes and minimum landing sizes were established. A one net rule was adopted whereby vessels would not be permitted to have nets on board with mesh smaller than the minimum size. These measures will apply to all groundfish fisheries in the area which will help considerably to reduce catches of juvenile fish. In addition, the adoption of minimum landing sizes will make it illegal for undersized fish to be sold to EC and other markets.

This government, in working with the industry, is doing its utmost to help solve a very severe problem facing the fishing industry.

WESTRAY COAL MINE

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, on several occasions I have risen in this House to ask questions concerning the Westray coal mine, and in particular with the disaster which occurred in Pictou county killing 26 men.

It has become abundantly clear in the last number of months that with the evidence that has been put on the record, and the information that individuals now have that one of the most important things that we could do as a national government would be to have an inquiry into this particular operation.

It would be an opportunity for the government to present its case, both with regard to the financial dealings surrounding this particular mine as well as some of the political interference which obviously ran rampant through the Westray coal mine project.

I received a letter recently which I wish to table and I will read it in part. It says: "We were shocked and outraged to read in today's *Chronicle Herald* that the Commons industry committee voted four to two not to proceed with an inquiry into the financial dealings surrounding the Westray mine project".

"As residents of Pictou county, we can assure you that their decision does not sit well with the majority of us if what people are saying on a grassroots basis is any indication. The talk in Tim Horton's coffee shops, our local garages and on the streets is that we are all amazed that six months after a horrific mine disaster in which 26 young men lost their lives not only are we back to square one but we may never get to first base again".

"We want some accountability from the Nova Scotia Department of Labour, our premier, our Prime Minister and the federal MPs and bureaucrats involved. In the meantime, why do not we invite those committee members who did not see the need to look into this matter any further to come down to the Christmas parties of the children of the 26 dead miners".

That is signed by Mary Gorman and Percy Hind, Jr., and I wish to table that.

The evidence is there for everyone to review and to examine. What is needed is an inquiry by the national government in order to fully address all of the concerns of the people who have been involved in this tragic occurrence. It is not sufficient enough for the Government of Canada to say: "Well, maybe Nova Scotia will have an inquiry". It was found by a Supreme Court justice that their inquiry was unconstitutional, but the justice did state that there was an opportunity here for governments, if you will, to have an inquiry.

I urge the Government of Canada to stop the cover-up, to have the inquiry, to produce the evidence, to respond to the charges and the concerns of many individuals, to give a thorough examination of all of the evidence, all of the witnesses regardless of one's political fate.

I believe strongly that the Government of Canada has a moral responsibility as well as a political responsibility, if not a legal one, to proceed with an inquiry either through the auspices of the Standing Orders of this House or indeed, to have the three political parties come together and agree on the mandate that would be taken.

It is irresponsible for the Government of Canada to turn its back on those dead young miners in Pictou county, their families, their loved ones and the community. I urge in the strongest possible terms that the minister afford himself of the opportunity in order to have this matter heard in its fullest possible way.

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, the area of occupational health and safety is the responsibility of the provincial government and is not the jurisdiction of the federal government.

Notwithstanding this fact, the Government of Canada, consistent with its role as a financial guarantor, took several measures to ensure the Westray project was technically viable. The initial environment assessment, the Acres report, pointed out the key health and safety issues associated with coal mines and the methods the company was putting into place to overcome these concerns.

All concerns, including those pointed out by the Devco report were deemed to be modifiable with known technology. The CANMET review deemed that the Westray project had no technical failings. It only spoke briefly of mine ventilation and spontaneous combustion risk. It concluded that in spite of these technical uncertainties, I repeat, the proposal had no major technical failings.

Westray was required to comply with all provincial coal mining regulations in Nova Scotia, including those dealing with mine ventilation and spontaneous combustion matters. It is been shown that the regular provincial mine inspections were indeed carried out.

According to the mining industry, the causes and mechanisms of coal dust explosions are well understood through past research. It is the responsibility of operators and regulators to apply that knowledge base in developing control strategies. We put the steps in place consistent with our role as financial guarantor to ensure the company was in full compliance with the provincial regulatory standards on health and safety.

This was monitored on a monthly basis by an independent mining consultant.

The Acting Speaker (Mr. Paproski): By unanimous consent, the motion to adjourn the House is now deemed to have been withdrawn.

GOVERNMENT ORDERS

[*English*]

AN ACT TO DISSOLVE OR TERMINATE CERTAIN CORPORATIONS AND OTHER BODIES

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Mazankowski that Bill C–63, an act to dissolve or terminate certain corporations and other bodies, be read the third time and passed.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, I want to point out the six commission boards that have been effectively killed by this legislation have been very valuable and viable services for this government.

The Law Reform Commission's mandate was to provide ongoing review of the statutes of Canada and make recommendations for improvement, modernization and reform of legislation. It undertook some of the basic research and contracted out other works to consultants to try to modify and amend shortcomings in Canada's laws. It has been a very valuable service. We save $4.8 million by cutting this service.

Let us have a look at the Canadian Institute for International Peace and Security. This institution had a mandate to increase knowledge and understanding of the issues related to international peace and security from a uniquely Canadian perspective. We save about $5 million by killing this institution.

The Economic Council of Canada was established some 29 years ago and has served admirably in its capacity. This council's objective was to provide advice on how Canada could achieve the highest possible level of employment and efficient production so the country could enjoy a high and consistent rate of economic growth and all Canadians could share in rising living standards.

This council had 28 members. The estimates indicate about $10.6 million in terms of its annual budget. One hundred and eight person years have been chopped to save about $10.3 million.

These are not major expenditures for the amount of work these organizations do.

The International Centre for Ocean Development focused exclusively on the oceans. Its mandate was to provide assistance, information and training programs for developing countries to help improve their management and utilization of ocean resources. We save $13.3 million by killing this program.

• (1810)

Let us have a look at the Science Council. It has been a particularly valuable institution for defending the need for research and development in this country. I think it is being killed because it has been very critical of this government. As this government has done with virtually every institution, it wants to shoot the messenger. It does not want to hear the bad news, so it has deep-sixed these organizations.

The Science Council had a mandate to assess scientific information and technological resources and increase public awareness of scientific and technological problems. The council had 30 members. Its budget was about $3.2 million and that has been killed by this legislation.

The Science Council of Canada has been a vocal critic of the government. The government has not responded to the criticisms. Instead it has chosen to shoot the messenger.

I just want to read a quote from John Polyanni who is the winner of the 1986 Nobel prize in chemistry. He said: "Killing the Science Council of Canada is short-sighted and will leave Canada without an independent voice on the future of science and technology. In our concern that the ship of state is too big, we are simply removing the rudder".

Killing all six of these very valuable institutions saves us $22 million for the fiscal year. Members of the government have said $22 million is not peanuts and we have to look at every avenue of savings. I want to point out there are a lot of other areas where we could save a heck of a lot more money than simply $22 million.

I am referring to the 1992 report of the Auditor General of Canada. These are follow-up recommendations that were the issues of previous reports and have not been attended to by the government. Under the title of "Military Conditions of Service", the Auditor General points out they examined a range of services and benefits intended to either adjust for special military conditions or develop military commitment and military ethos. The direct pay and allowance alone cost the department $3.3 billion, 29 per cent of the 1989-90 budget, almost $3.5 billion, to adjust for special military conditions and develop military commitment. That is a heck of a lot of money and $3.3 billion is a lot more than $22 million.

Let us go on to where it talks about the commissioning plans for officers. It states: "In the 1990 report the Auditor General recommended national defence periodically evaluate the efficiency and effectiveness of its commissioning plans. It pointed out at that time the department spends some $18,000 to $47,000 per student per year, depending on whether the officer cadet is sent to a civilian university or a military college". It gets worse.

Let us have a look at follow-up recommendations with regard to the Department of National Defence official languages training. I have been a long-time supporter of the official languages policy, but I am not a supporter of the flagrant misuse of public funds for the inefficient utilization of these policy directives.

Again the Auditor General's report states: "We reported that this program had cost the department about $500 million since 1980 and was expected to cost some $1.4 billion over the next 15 years". There were 7,600 individuals on language training between 1990-91. It also points out "the department's plans still do not focus training resources to address the shortage of bilingual anglophones. We noted in 1990 the Canadian Forces language system is designed to offer a low level of training to many, rather than train fewer individuals to maximum proficiency. In 1989 the 9,000 anglophones at the language level closest to becoming bilingual were not given priority access to resources that would have enabled them to become effectively bilingual". It goes on to say the Department of National Defence has not

implemented recommendations to incorporate posting priorities into its language training. There is still no departmental posting policy to assign trained individuals from all courses to positions designated as bilingual, while respecting operational task priorities. The current departmental bilingual manning policy affects only 250 or so graduates. Although this course lasts a full year and costs over $80,000 per person, in 1990 and 1991 only 66 per cent of its graduates were actually assigned to bilingual positions.

There is more of a horror show here. Again the Auditor General reports the Department of National Defence should identify where Canadian forces schools cost more. This is under training efficiency and economy. It says: "We reported that the Department of National Defence should identify where Canadian forces schools cost more and should use this information to reduce costs".

It gives the following example. In 1990 the Auditor General reported it cost some $265,352 for a fleet school to train a single marine engineering technician, whereas it cost only $71,000 in the community college system. That is an outrageously inflated cost for something that could have been handled much more effectively in the community college system.

I want to move on to another area where this government could and should be saving money. Rather than cutting the fat and waste out of these particular programs it chooses instead to cut these six very valuable councils. They no longer exist and the services they provided have now bitten the dust.

Let us go again to the Auditor General's report. Under the Department of Finance it mentions outstanding loan guarantees amounted to $5.7 billion in 1990 and 1991. He also points out ongoing loan guarantees with lender risk sharing arrangements covered only 26 per cent of the total outstanding. In other words, three-quarters of that money loaned by the federal government has no arrangement in terms of shared risk or equity. It is just money that has been given out to the corporate sector by the government. In 1990 and 1991 that amounted to some $5.7 billion and the total authorized amount stood at $13.7 billion.

It just gets worse and worse as you look through the Auditor General's report and see where the government could have saved money or should have saved money but chose not to.

Again, let us go back to the Department of National Defence major capital projects. It says in the Auditor General's report: "We obtained a listing from the Department of National Defence of all initial provisioning contracts", purchasing contracts, "in effect at the time of our audit. The contracts date from as early as 1982 with a total cost of some $657 million". It reads further: "We focused only on the first comparison and limited ourselves only to those parts where price comparisons could easily be made. This involved some $158 million in spare parts contracted out over a 10-year period. We then compared the prices paid by the Department of National Defence with the listed prices of the same items available for sale or actually paid by the U.S. Department of National Defence". Lo and behold what do we find? The difference between the prices paid by DND, our Canadian Armed Forces and the prices indicated in these other sourcing alternatives varied widely. In the majority of cases it exceeded 50 per cent.

I know you cannot see the small graph on the page but in some cases it identifies overexpenditures of between 500 and 1,000 per cent greater than the comparable cost of the item. This is an outrageous and completely unconscionable waste of taxpayers' money in purchasing items for the Department of National Defence that were substantially cheaper using other purchasing sources.

• (1820)

The report goes on to say that even a 10 per cent reduction in procurement costs could result in savings in excess of $20 million each year. A 10 per cent reduction in the procurement costs would have saved Canadian taxpayers over $20 million.

That number is very significant because this legislation in front of us is talking about saving $22 million by cutting six very very important institutions and organizations including: the Law Reform Commission; The Canada Employment and Immigration Advisory Council; the Economic Council and the Science Council.

All six councils bite the dust at a savings of only $20 million. By a 10 per cent reduction in procurement in the Department of National Defence we could have exceeded those savings and it is right here in the 1992 Auditor General's report.

That is not all that is in there. I want to go over another item and the more one reads this, the more amazed one gets. This is with regard to the Canadian Armed Forces. It says that the vast majority of both militia and communication reserve units have no assigned roles or operational tasks and have been organized on the model of regular force operational units.

What is he talking about? Let us have a look. A militia lieutenant colonel, for example, supposedly leads a unit of some 200 to 300 positions, but in actuality it only averages about 100 people. In the regular force a sub unit of 100 people would normally be led by a major while a lieutenant-colonel would be in charge of about 600. There are no instructions requiring unit commanding officers to fill their units efficiently, wasting again, administratively, the taxpayers' money of Canada.

Again, under the project costs for the Department of National Defence, the Auditor General comments that the department bought two used offshore supply vessels for approximately $10 million. This in response to the minister's request in late 1987 that naval reservists be provided with the means to commence mine counter measures training for that summer. Although officials sponsored the project, they told the approving authorities that the vessels were in excellent condition based on an initial survey. It was found that an additional $16 million was needed for unplanned repairs after the purchase was made.

The purchase of a remote operative vehicle, called an ROV, cost the taxpayers some $955,000 to train reservists in mine hunting. It was not adequately evaluated at the time and proved to be too complex for use. At the time the audit was done the total costs had escalated from the original purchase price of $955,000 to well over $2 million. That did not include unplanned costs for facilities and the development of a training package.

Another point is that the department purchased 199 Bison armoured vehicles and 22 specialized M-113 armoured vehicles required to meet militia needs for $161 million before there was even maintenance personnel and facilities available to service them. The Auditor General points out that he estimated the Department of National Defence has incurred a loss costing $17 million to the Canadian taxpayer which could have been avoided if the programs had been set up before actually purchasing these vehicles.

The horror stories that are in the Auditor General's report, and I have only pointed out a few, indicate there are many avenues in which this government could have and should have been able to save far more than the $20 million it is saving by chopping these six institutions.

The record speaks for itself. The government has chosen to silence its critics by killing these institutions. It really has nothing to do with saving taxpayers money.

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, who else but an NDP member could suggest that the saving is only $20 million? Well $20 million is a lot of money but I will correct his figure because it is more like $22 million. That in itself I guess is not as important as the over-all principle of what we are attempting to do, but I want to remind him that the saving this year would be $22 million. That will increase to $71 million by 1993-94. In five years it is going to be over $310 million.

What is $100 million here or there to the NDP? I guess it is nothing. One of the luxuries of being in opposition is that one does not have to be accountable to the taxpayers. That is an easy thing for him say. Why does he not ask Premier Harcourt, the NDP premier in British Columbia, as to what comes with assuming office? What comes with assuming office is responsibility to the taxpayers.

In a debate like this the beauty is if you are in opposition you can drag in everything including the kitchen sink and the member has done that. Everything can be dragged in no matter how irrelevant to the debate. However, what we are talking about specifically is the elimination or dissolution of six government agencies. It has nothing to do with the Auditor General's report. That is a debate for another evening. It has nothing at all to do with the Auditor General's report.

We are talking about the elimination of six agencies that cost us something as taxpayers. I have gone through the numbers, but the six agencies specifically are: the Economic Council of Canada, the Science Council of Canada, the International Centre for Ocean Development, the Canadian Institute for International Peace and Security, the Law Reform Commission and the Canada Employment and Immigration Advisory Council.

The point I want to make, aside from the savings for the taxpayers of Canada, is that every single one of those bodies is duplicated some place else in the country. Sometimes it is by the federal government itself and sometimes it is by the private sector, but most certainly by the universities and other think-tanks throughout the country. We have gone through those, such as the C. D. Howe Institute and the Fraser Institute to name just a couple.

An hon. member: Now there is an honest perspective for you.

Mr. Thompson: The truth is when I debated this earlier in the evening, I stepped through all six of those agencies. I can do it again if you will allow me the time to do it, Mr. Speaker—and he is indicating that he will not—but I addressed each one of those specifically. I indicated what they are presently replaced by, but it is duplication which the taxpayers of Canada have told us they do not want any more. It is costing them too much and it is costing us too much, to the tune of $22 million a year.

The NDP is the only party in this House that can tell us and I suppose afford to say that $22 million is nothing. It is something. It is too much and the Canadian people have told us it is too much.

Mr. MacWilliam: Mr. Speaker, the Canadian taxpayer wants this government to save money and at the same time preserve jobs. By killing these councils the amount of money that is saved and the amount of jobs that are lost are not defendable. The services that are lost through the killing of these six national councils are not defendable.

I want to submit that there is no duplication. These councils were national in perspective. There are provincial science councils for example, but there was only one Science Council of Canada that took a national perspective. The Law Reform Commission of Canada was a national body. Sure there are provincial bodies, but we as a country also need a national perspective on these issues.

• (1830)

This has nothing to do with saving money. It has everything to do with silencing the critics of this government, that have told this government time and time again that it is doing a lousy job and instead of responding to the criticisms the way this government should—

Mr. Thompson: I rise on a point of order, Mr. Speaker. That statement is totally inaccurate because those same bodies he is suggesting criticized the government in fact supported the government—

The Acting Speaker (Mr. Paproski): I regret that is not a point of order. It is a point of debate.

Mr. MacWilliam: Mr. Speaker, these organizations are being silenced because the government cannot handle the heat and it does it under the auspices of budgetary savings.

In my presentation I pointed out well over a dozen areas in the 1992 Auditor General's report where these savings, savings far in excess of $22 million, could have been initiated by this government had it simply listened to the recommendations the Auditor General had made time and time again. It chose not to listen to those recommendations. It chose to ignore those recommendations.

Here we have a report that calls the government short on numerous fronts, where savings could have been effected by simply better and leaner administration and a better understanding of how to implement budgetary controls. There could have been savings effected far in excess of $22 million without a single job lost.

Canadian taxpayers want to see responsible action. Yes, they want to see the government saving money, but they do not want to see the government carving the guts out of organizations and throwing people out on the street in order to effect their budgetary control.

There are different ways to skin the cat and this government has shown absolutely no sensitivity in deep-sixing these valuable organizations.

I say again the only reason the government is doing it, the real reason for killing these national organizations has nothing to do with saving the money. It has everything to do with silencing the government's critics.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, Bill C-63 is another example of this Conservative government's drive to stifle free expression and thought, including independent research and policy development.

Here we have a bill which abolishes the major independent—and I emphasize the word independent—research councils in Canada, ones that have existed for a number of years including: the Economic Council of Canada, the Law Reform Commission, the Science Council of Canada, the Canadian Institute for International Peace and Security and the Canada Employment and Immigration Advisory Council. Today I want in particular to speak about the Canada Employment and Immigration Advisory Council because that is the one I have been very close to over a number of years.

For the past year I have been the opposition critic for immigration and for the previous seven years I was the opposition critic for employment. I must say that the reports of the Canada Employment and Immigration Advisory Council were extremely helpful and useful to me in that opposition role. They were very helpful as well to non-governmental organizations and other outside groups. In addition, prior to the change of government in 1984 I was the chairman of the Standing Committee on Labour, Employment and Immigration and, once again, had close contact with the work of this advisory council.

The mandate of the Employment and Immigration Advisory Council is to provide the Minister of Employment and Immigration with independent—and I stress that word again—private sector advice on policy issues pertaining to immigration, labour market issues, and unemployment insurance.

The council was structured in such a way that it had 21 members drawn from business, labour and other non-aligned groups. It was the only independent body directly reporting or advising the minister that was not part of his public service, part of his department.

This advisory council put out some extremely important reports over the last number of years. For example, in April 1990 it put out a report on full employment entitled "Full Employment is an Achievable Goal". The year before they put out a report on structural unemployment entitled "Regional Unemployment in Canada: A Nation out of Balance". It was published in November 1989. Prior to that, in 1985 it published a report entitled "Older Workers: An Imminent Crisis in the Labour Market". It also had reports on the Atlantic fishery and on single industry communities.

Previous speakers in this debate have been absolutely correct. The real reason the government is abolishing these six independent advisory councils is that it does not like criticism. I can recall very well, with the Canadian Employment and Immigration Advisory Council, when the government was putting through its bill, its major reform on unemployment insurance in the last Parliament, the advisory council which for the most part had been appointed by the minister, the men and women on the council had been designated and appointed by the minister of the time, took a position against many sections of that bill. It criticized those sections. It did it in a very scientific and diplomatic way, but in fact it stated positions of major disagreement with the minister. Its information and its statistics were very legitimate but the minister did not like it.

I can recall standing in this House and raising the issues put forward by the advisory council in opposition to sections in those unemployment insurance cuts which were very controversial at the time, and the minister tried to slough them off and put them aside.

It is like previous interveners in this debate have said. It was a question of when you do not like the news you kill the messenger. The messengers in this case were from business, labour and the university sectors. They gave their best advice on many of these issues. When the minister did not like them, she put a black mark against them.

I am thinking of the minister of the time, the hon. member from Kingston who I think was defeated in her constituency in Kingston for the terrible, insensitive reforms that were made to unemployment insurance which cut people off the unemployment insurance rolls and made unemployment insurance more difficult to obtain.

By that reform—and that was stated by the advisory council—by the federal government cutting back on unemployment insurance, all they were going to do was shift this entire group of people to the provincial welfare rolls. That is what has happened.

I can recall very well stating that at the time, citing the different paragraphs in the advisory council report. We said: "If you go through with the cuts, sure, it might look good for you at the federal level; but as far as the Canadian taxpayer is concerned you are simply going to shift the burden to the provincial and municipal welfare rolls". That happened.

The municipal and provincial welfare rolls increased considerably. That advice was given. The minister and the government were pre-warned, but they did not like the advice. They had their own agenda and they pursued their own agenda slavishly, and we have seen what happened. The country is in a terrible mess today where there is massive unemployment, where there are not sufficient resources to take care and retrain the unemployed, and so on.

I was just listening to the hon. member on the government side who was trying to argue that the real reason for these cuts was to help with the deficit and to reduce expenditures in order to reduce the deficit. You never reduce your deficit with respect to programs that could help you increase your productivity as a nation.

• (1840)

They say that today, in the 1990s and as we move into the next century, the greatest assets a nation can have are know-how, ideas, technology, scientific research. These are the things that will make nations great, which will make nations stand among the leaders in the world.

In times of difficulty you do not cut back on your educational systems as this government has done. You do not cut back on your training programs as this government has done. You do not cut back on your major institutions, major agencies that do research and development and provide independent, alternate advice on economic matters such as the Economic Council of Canada did; legal and social matters such as the Law Reform Commission did; the Science Council of Canada; on questions of peace and security such as CIIPS did; or the Advisory Council on Employment and Immigration.

In this modern age, just having resources in the ground and having a large nation with a lot of people do not mean we are a powerful, number one nation. Once again, when we look at a country like Japan, it has built its greatness as an economic power on its ability to develop, research, science, knowledge, know-how, new products, and so on. When the government says it wants to reduce its deficit by cutting back on these institutions that develop new ideas and develop alternative ways of doing things which give us the basis for know-how, it sounds rather shallow and without support.

The hon. member from the government said as well: "We were able to cut these institutions back because the work they were doing was being duplicated in other areas". He mentioned as an example the Fraser Institute and the C. D. Howe Institute. I will deal with that.

Some members have cited, for example, that the functions of the Canadian Employment and Immigration Advisory Council have been absorbed into the ministry. Let me deal with that first. In the ministry the research and development that are done are subject to the political agenda of the government of the day, of the minister of the day. I know because I was a minister for seven years and I had to deal with the research and development wings of my department.

You are not getting what I would call independent, critical research. You are getting good research on some matters. There is no doubt about it. You are getting excellent research, but it follows in support of or pursues the government's political agenda. That has to be done and I respect that, but it is not covering the entire field.

With respect to private sector research, many of these private sector research bodies are dependent on their financial resources from large business, the corporate sector, the multinational business sector, and many of them serve their agendas. Once again one wonders whether we are getting the full range of independent research and development we need. I think not. Whether it is the C. D. Howe Institute that has published some good reports or the Fraser Institute for which I have less esteem but has published some good reports, they still do not provide the independent, critical research we had in this country when we had the Economic Council, the Science Council of Canada and the Advisory Council on Employment and Immigration.

It is a sad day when a country such as this, on the pretext of saving money, cuts back those institutions that provide us with independent thinking, ideas and know-how. It is a very sad day. We in this party are objecting to these cuts. We think it is the wrong way to go.

There are many areas the government could cut in order to reduce the budget. I raise again the Auditor General's report which states where there has been a lot of waste, a lot of money siphoned out of the country. Those are areas where money could have been saved. We do not save money by cutting back on the institutions that give us high powered knowledge and information.

Mr. Scott Thorkelson (Edmonton—Strathcona): Mr. Speaker, I listened with great interest to the hon. member when he talked about us silencing our critics.

I would like to remind him, for example, that the Economic Council of Canada predicted that the free trade agreement would bring, if I remember the figure correctly, either 200,000 or 300,000 jobs over the course of many years. That figure was used by the government, by business and so on, in support of arguments for the free trade agreement.

The Economic Council of Canada—and certainly it may have criticized the government in some areas—was supportive of the government in many other areas. This is not an issue of silencing critics. This is more an issue of Canada being a mature nation with mature universities today, many of which are over 100 years old. The university from which I graduated, the University of Alberta, celebrated its 75th anniversary a few years ago. It is probably celebrating its 80th anniversary now. There is a source of research for us and we have other institutions.

My question for the hon. member has to do with the role of Parliament. For years and years Parliament and the governments of the day have created these external agencies asking them for advice, but it seems to me that Parliament itself should be a policy-making body or policy should emanate from Parliament. We do not have enough committees studying the role or producing policy recommendations.

We have reformed Parliament. The McGrath commission in 1986 reformed Parliament. It would seem to me appropriate that maybe we should now consider beefing up the research bureaus of our committees, unleashing the potential of members of Parliament and restoring some of the esteem the public should have in Parliament, rather than always devaluing Parliament by spinning off policy-making agencies and think-tanks and people looking to those groups as agents for social change and other things rather than to Parliament. I think Parliament should regain its role as a policy recommending body and committees should try to increase their stature in that manner, and many have done that.

Does the hon. member think that Parliament's role has been devalued by having this plethora of different agencies? Might we now re-assert ourselves as parliamentarians, give our committees extra power and produce policy recommendations in that way?

My next question concerns the economic argument here. These agencies cost a lot of money; $5 million is a lot of people paying taxes. We have to borrow that money. Then each year we have to pay interest on that borrowed money and we have to borrow money for interest. There is a never-ending, vicious cycle of compound interest, debt and so on. Certainly we could pay heed to some of the recommendations of the Auditor General, but that would not solve the problem of our massive debt and continuing deficit.

The Liberal Party and the NDP have called for increased spending every day. I sit in the House of Commons and every day I hear calls for massive programs, economic stimulus and so on. All that does is create inflation in the long run and devalue our currency and productivity.

We have to think seriously about the economic course of the nation, about the public purse and about keeping things on an even keel so that people have productive jobs.

We certainly have eliminated these agencies, but how do we get the deficit in check? What suggestions does he have on the big ticket items? His party seems to be saying: "Spend more, spend more, spend more". I will leave it at that and ask him to respond.

Mr. Allmand: Mr. Speaker, I would be glad to respond. There are really three questions here.

First, with respect to whether the creation of these independent research agencies demean or take something away from Parliament's ability to do research, not at all. It is not a question of one or another. I fully agree with the hon. member that we should beef up and improve our parliamentary research capacity.

• (1850)

In the years I have been in Parliament, it has improved considerably. We now have in every committee one or two researchers who help us with our work. It is still not enough. There is a very excellent research branch with the parliamentary library which helps committees as well but let us be frank, when the committees do serious studies, they get their information not just from the research branch of the Library of Parliament, but by calling as witnesses the major industrial, labour, university, think-tank bodies in this country and we ask for their views. They do the research and then they input that research into our parliamentary committees. The good parliamentary committee is one which listens to many points of view.

I have just finished doing the work on the legislative committee for Bill C-86, the immigration bill. We heard from the section of the Canadian Bar Association that deals with immigration. We heard from the social agencies that dealt with immigration. We met with the various ethnocultural groups which did work on immigration. We got our information from many sources and from sources that did considerable research.

I might say that when I was with the Standing Committee on Labour, Employment and Immigration, we used to have very often before us the Economic Council to give us its advice on some of these major issues that were before Parliament and on which members of Parliament had to take a position.

I believe you can do both. You can have independent economic research agencies such as the Economic Council and the Science Council of Canada and improve your research capability within Parliament as well. I do not think it is duplication.

The member referred to the fact that the Economic Council supported free trade. Yes, it did support the concept of free trade. I was very much involved in that debate. I was on the committee prior to the election in 1988 that dealt with the free trade issue. The Economic Council also issued two reports which said there would be losses of jobs in several industrial sectors and something should be done about it, and that advice was not followed.

It also made major recommendations for retraining, upgrading and restructuring in areas that would be hit hard by the free trade agreement and that advice was not followed as well. While the Economic Council supported free trade in general, it had something to say about the details of the free trade agreement and what had to be done to properly implement it, which was not followed.

The last question the hon. member asked was about these institutions costing a considerable amount of money. They cost money. The saving here is supposed to be $22 million. It is a sizeable sum of money but I look on money spent on developing ideas, developing scientific know-how as an investment in the country and in productivity and not as money being simply thrown out the window on consumption.

If we carry the argument of the government to the logical extreme and if we want to really save money, we could cut back all our funding for universities, we could cut back our public education system. We would save a lot of money, but we would end up a pretty ignorant country. I put these agencies in that area.

These national councils contribute to our national ability to produce at a high technological level, which is essential at this age in the 1990s and into the 21st century. This is not the kind of thing we cut. There are many areas where we can cut but we do not cut our ability to produce ideas, know-how and scientific first class information.

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, as has happened all too often in this Parliament of Canada, I am standing again this evening to express my sincere dismay at yet another foolish piece of government legislation. Today the disheartening legislation in question is Bill C-63, an act to dissolve or terminate certain corporations and other bodies.

I had the opportunity to speak on this bill at second reading last May. At that time I outlined that the government had announced in its budget of February 1992 its intention to eliminate, consolidate, defer or privatize 46 Crown agencies, corporations and commissions, all for a projected savings of $22 million.

This bill here this evening deals with only six of those 46 agencies. Those six agencies are the Canada Employment and Immigration Advisory Council, the Canadian Institute for International Peace and Security—better known as CIIPS—the Economic Council of Canada, the International Centre for Ocean Development, the Law Reform Commission and the Science Council of Canada.

We on this side of the House agree that some of the 46 agencies are extravagant and need to go. Many of these were established by this same government. Furthermore, while I am not opposed to privatization, I am opposed to limitations being placed on organizations which continue to usefully serve the public policy process. There are several among the 46 which continue to provide such a service. In particular, the six agencies due to be axed by the government in this bill provided an invaluable service to Canadians.

All the government is accomplishing with this bill is more closely aligning itself with the far right Reform Party. I am embarrassed for this government. Will it stoop to any level to cater to a regional party which is equal only to the Bloc Quebecois? Before taking a closer look at a couple of the six agencies about to be given the heave-ho by the government, I want to first draw the House's attention to the blatant disregard this government has for Parliament.

Yesterday an effort was made to contact each of the six agencies mentioned in this bill. It was quickly discovered that the government had already closed five of the six agencies. I repeat, five of the six agencies have already been closed by this government. This is well before Parliament has even voted on the legislation to do so. Such a total lack of respect for the Canadian parliamentary system is an absolute disgrace. Furthermore, closing the organizations before the bill is passed could be against the law.

An official at the Canadian Institute of International Peace and Security, which is the only agency of the six still open, said that it is only open because it received a legal opinion which indicated that the operation must continue until the legislation is passed. If this is the case for CIIPS, why is it not the case for the others?

It is also important to note the callousness with which this government informed the employees of the various agencies about their closure. Judith Maxwell of the Economic Council indicated to the legislative committee on Bill C-63 that she was advised at 12 p.m. on budget day that the council would be dissolved. At least three of the four were treated in the same way.

Has this government no shame? At least Conservative government members will have 60 days from the time an election is finally called to begin packing up their boxes before the Canadian people fire them. I do not know why you could not have given the agencies the same kind of treatment that you yourselves will be treated to by the Canadian public when you lose your seats in the next election. You have 60 days to pack your bags.

In my previous address in this House on this bill, I outlined the importance of each of those six agencies. Now I would like to take a closer look at two of them which will certainly have a significant impact on human rights, the area for which I am the critic for this party. The first agency is the Law Reform Commission.

Established in 1971, one of the commission's mandates was to maintain an ongoing review of the Statutes of Canada, to make recommendations for improvement, modernization and reform legislation. In its almost 22 year existence, the commission issued 32 reports, 61 working papers and 76 studies containing recommendations covering Criminal Code reform; hate propaganda, plea bargaining, safeguarding of genetic heritage, pornography, euthanasia, sexual assault, arson, mental disorder and on and on. As of 1990, the commission's studies have been cited in 211 reported Canadian court decisions, 39 of which were Supreme Court of Canada decisions. Yet, this government thinks this commission is so unimportant that it is getting rid of it.

• (1900)

This commission has played a vital role in the advancement of human rights in Canada. All of the issues I have just mentioned are matters of considerable importance today and most will, without a doubt, be debated in greater detail in the coming years.

The commission is an important element of the public policy process on which our laws are based. Indeed, a claim to a human right is very often advanced as a justification for public policy.

Often, as we can see by the aforementioned matters the commission has addressed, certain issues are controversial and the government must seek the advice and counsel of non-partisan bodies which can evaluate the given matter without political interference. By abolishing the non-partisan commission, the Conservative government and, in particular, the current Minister of Justice

are trying to silence their biggest critic. The minister has been endeavouring to do so since 1990. At that time she left the commission without a quorum. This made it impossible for the commission to approve any reports which would have included suggested changes to federal legislation.

The second organization being closed by the legislation that I want to talk about today in the context of its effect on human rights is the Canadian Institute for International Peace and Security. Established in 1984, CIIPS mandate is to increase knowledge and understanding of the issues relating to international peace and security from a Canadian perspective with particular emphasis on arms control, disarmament, defence and conflict resolution. In today's ever-changing global environment, what could be more important than these issues?

I have sat in this House on several occasions and listened to the Prime Minister and his colleagues in the Conservative Party talk at great length about the need to make every effort to bring about a more peaceful world for our children and our children's children. Wonderful words. Unfortunately this government is high on words but low on action.

We are standing here today to debate an issue which should not even be on the agenda for debate. We have an Institute for International Peace and Security and this government is saying: "No, we do not need that". By voting to abolish CIIPS, this government is saying that we do not need an institute which will increase knowledge and promote understanding of issues relating to international peace and security.

By voting to axe CIIPS, this government is sending a clear message to Canadians that it is not committed to limiting the out of control arms trade. This morning's *Ottawa Citizen* outlined just how out of control the arms trade has become, detailing the role that Canada played in the arming of Iraq in the years prior to the gulf war. In fact, this government allowed a company supplying munitions to Iraq to test artillery and special shells at Canadian military bases just months before Saddam Hussein invaded Kuwait.

By voting to abolish CIIPS, this government is saying that we do not need an institute dedicated to discussing issues which could ameliorate the deplorable crisis we are witnessing in Yugoslavia. East Timor, Somalia, Sri Lanka, Mozambique, Liberia, Cambodia, China, Burma, Iraq, Iran and the list goes on and on. By voting to do away with CIIPS this government is acknowledging that it lacks a real commitment to doing its part for a more peaceful world.

In conclusion, this bill is not about saving the government some money. If it really wanted to do this, it could take steps to implement some of the recommendations of the Auditor General. We all know that there are more than a few. Bill C-63 is not about fiscal restraint, it is about abolishing agencies which have always acted in the interest of Canadians. This government is embarrassed by these agencies because it does not always do the same. Rather than debating the issues this government has chosen to kill the messenger. It may be easier but in the end we all suffer because of the loss.

Mr. Mac Harb (Ottawa Centre): Madam Speaker, we are debating Bill C-63 but, as my colleague mentioned a little earlier, all of the agencies have been closed since June 1992. One would ask, what is the point of a member of Parliament standing up in the House to defend an agency that is no longer in existence. The doors have been closed. In some cases the telephones do not even exist. They have been disconnected.

I was wondering what the fairness is when we have a situation like that. Legislation is introduced and even before the legislation is passed action has already been taken. It is quite intriguing. Our role as members of Parliament has been minimized if not ignored in this case.

The organizations that the government in its wisdom decided to close down are the Canada Employment and Immigration Advisory Council, the Canadian Institute for International Peace and Security, the Economic Council of Canada, the International Centre for Ocean Development, the Law Reform Commission, and the Science Council of Canada. All six agencies have in the past provided government, as well as interested groups, with great third party opinion that was not influenced by government or special interest groups. Most of those opinions come from experts, from people who know and who are willing to listen to both sides before they make their recommendations.

To shut down these organizations for the mere sake of saving $22 million when we are losing this excellent advice and are laying off in excess of 300 employees is a shame.

Just recently the NDP government in Ontario dedicated close to $1 billion in the hope of creating up to 100,000 jobs. I was informed about a week ago that after it spent in excess of about $20 million it was able to create only 200 jobs.

An hon. member: They need advice, don't they.

Mr. Harb: The NDP does not listen. That is its problem.

There are people who are trying to create jobs but they do not know how to do it because of lack of experience and lack of talent. However, there are already agencies in place that have been doing a great job in providing a tremendous amount of service and support to the government and to people at large, yet we are closing them down.

What has intrigued me the most is the closure of the Canadian Institute for International Peace and Security. This institute was established in 1984 with one thing in mind, to provide that third perspective or advice.

To close it down in the time we are in is really shameful. It is inappropriate and it is very ill-timed. All we have to do is look at countries around the world, look at the former Soviet Union, look at the disintegration of Yugoslavia, look at what is happening in Somalia, look at what is happening in certain parts of the Middle East, look at what is happening pretty well in every part of the world.

If anything, what we should have done is enhance the role of this institute, and encourage it to go even further and try to deal with world disputes and find resolutions to those issues and those disputes.

We have seen a tremendous amount of pressure coming toward Canada on the international scene and international community. There is more and more demand for our peacekeeping forces. There is more pressure on external affairs. There is more pressure on the minister herself.

• (1910)

The world views us as being in the best position to provide neutral advice, advice that is well balanced and moderate. As Canadians, this is something that we should be very proud of. Canadians should be proud of the fact that the whole world is listening to us as a middle of the road power. Canada is not a big power and not a small power but a mid-sized power. We are in the best position to provide leadership, ideas and suggestions to countries where there are problems and disputes.

I thought this particular agency would have been one of the tools that the government could have used and could have promoted world-wide to help solve some of these problems. I say this because when people look at Canada from the outside they see a Canada that is compassionate, caring and willing to help. I do not think we should take that for granted, nor should we ignore the fact that it is one of the best assets we have.

Our image is one of our best assets, not only to the outside world but to the inside world. The outside world looks at Canada with an admiring eye and the inside world, from time to time, wonders about the wisdom of our government when it comes to institutions such as this one. We wonder why the government is closing it.

It is my hope that the government will see the wisdom and reinstate some of these agencies. If it were up to me I would reinstate all of them. However, it looks like the rest of the agencies, with the exception of the Canadian Institute for International Peace and Security, have given in. They have decided that it is time to close down.

I want to commend those people who are answering the telephone at CIIPS. Obviously they have decided to stay there until the bill goes through the House of Commons and the Senate.

It is my hope that we will have an election before the Senate approves those bills. It is my hope that my party, in which I am confident, will have a second look at those agencies and try to inject life into some of them to ensure that Canadians who have been accustomed to the quality services of those agencies will continue to receive them.

What has also particularly intrigued me is the situation of the Science Council of Canada and the Economic Council of Canada. What a couple of organizations. We can see the correlation between the two: science and the economy. We cannot just divide the two because when we think about it if there is any one single tool that is necessary to succeed it is the educational tool. Unfortunately we do not have it right now. Our work force is not fully equipped to produce the kind of wealth that we are interested in.

First, on the international scene we are not scoring as high as we should in terms of productivity. Second, the production of our universities, schools and so on compared to the production of other schools and universities around the world is not as good as it should be. We do not seem to be scoring high in terms of the quality of education our graduates are receiving.

The same is true when it comes to applying those degrees in the work force. We do not see the output that we should be seeing, and that is not the fault of the student. The student will learn what is taught in the curriculum. That is a fault of the system. We must have a system that encourages, creates and graduates the kind of students who are willing and capable of being fully productive in society.

Not only that, we must give them the tools to do so. That is why I would have hoped that rather than closing them down the government would put more emphasis on agencies such as the Science Council and the Economic Council.

I do not think members will disagree that unless something is done with our educational system over the next few months we are going to see ourselves lagging behind the rest of the world.

I am amazed, and it does not matter which chart I look at, that when we compare ourselves to the big G-7 countries we seem to always be hitting the bottom, whether we look at productivity, investment in research and development, our level of output in terms of students who go into high school, or the level of literacy. No matter how you slice it or look at it we seem to have a problem.

The solution is extremely simple. We should, and we must, have a national standard for education all across the board. We should and we must work with the industries a little more closely than we have been doing in the past. More important, we must listen to advice, which is what the Science Council and the Economic Council were doing in the past. They were trying to provide that third party advice to the government, which the government did not seem to be listening to.

We have to go to industry and listen to it to see what it wants us to do with the government rather than trying to complicate the tax system, increase the red tape, and trying to drive industry away from provinces such as Ontario. When it comes to attracting industry from the outside we seem to be scaring it off so it is not coming in.

The savings that the government is getting in the short-run are going to cost us in the long-run.

That is why I would like to join with my colleagues in calling on the government to have a second look at these agencies, in particular agencies that have provided quality service in the past. I do not see why the Law Reform Commission has to be shut down. I do not see why the government has to close down the Canada Employment and Immigration Advisory Council when we are accepting, on an annual basis, in excess of 250,000 immigrants to this country and when there is a shortage of public servants.

Today I was at a rally of public servants from Employment and Immigration. I heard, over and over again, that they need more staff. They need more resources if they are to deal with and support the level of immigration that we have.

The International Centre for Ocean Development, the Law Reform Commission, the Science Council of Canada, the Economic Council of Canada, the Canadian Institute for International Peace and Security, all these agencies are fine, fine agencies. I wish and hope that the government will listen to the opposition and reconsider its position.

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, I am delighted to rise in the House to discuss this particular bill.

I want to be as objective as I can. I want to address the issues honestly and directly. This is a bill about dismantling many research facilities that are available to government today. They are research and development facilities and ones that give expert advice on a host of issues.

The government ought to realize that there is some contradiction here. First, the government talks about competitiveness, it talks about increasing productivity. It has the tools at its disposal to help it do that. I shall try to prove that case. What does the government do? It decides to dismantle these essential organizations.

Why would the government attempt to do this when this is the situation that we in Canada face today. I said earlier in the House that some of our greatest challenges were the social problems facing us. Yes, there are political problems and economic problems, but the social problems are Canada's greatest challenges.

There are over 1.6 million unemployed Canadians as we speak. There are in this country more than 2.2 million Canadians who will be receiving social assistance this year. There are over 2 million Canadians, 40 per cent of whom are young people or children, who are going to be nourished at food banks this year. There are close to 5 million Canadians who are at the level of poverty or living in poverty. There is abuse in our country that needs to be investigated so that we can come up with policies that will reduce this kind of situation, which is completely unacceptable to countries such as Canada.

• (1920)

We have problems of aging and I do not say that in the pejorative sense. We have a population that is growing older which will necessitate different solutions in the future. We have environmental challenges—and we could be a leader if we chose to be—that are virtually insurmountable if we do not have these tools working for us.

My colleagues have mentioned the role we have in peacemaking. We have been, perhaps continue to be, but certainly should aspire to be, first in the world to be involved in peacemaking around the planet.

Just in case people are not completely aware of some of these organizations and what they do, I want to quote from some government papers. The Canada Employment and Immigration Advisory Council is an advisory board to the employment and immigration minister. It provides the minister with advice from those affected by the department's policies and activities. Surely that is important. It acts as an independent institution. Surely this is extremely important.

Let me share with you some of the things that the Canadian Institute for International Peace and Security is intended to do, that it will no longer be able to do. Here is part of its mandate: To increase knowledge and understanding of the issues relating to international peace and security from a Canadian perspective. It undertakes research in order to assist in peacemaking.

Let us look at the International Centre for Ocean Development. This organization's prime objective was to improve the management and utilization of ocean resources as a source of food for those nations that do not have enough food to nourish their people.

Another organization, the Law Reform Commission, has a bit of a stuffy title but it did have an important mandate. It was going to make recommendations for improvement, modernization and reform of legislation. It undertook research in order to assist.

Let us look at the mandate of the Science Council of Canada. It was to assess scientific and technological resources, requirements and potentialities of Canada and increase public awareness of scientific and technological problems and opportunities. It undertook research, published studies, reports and provided advice to the minister.

Let me deal with the final one, the Economic Council of Canada. What was its mandate? It was to achieve the highest possible levels of employment and efficient production in order that the country may enjoy a high and consistent rate of economic growth, that all Canadians may share and have rising living standards. It undertook research. It was a departmental corporation operating at arm's length from ministers to provide independent advice to the minister.

Every single one of those organizations I have mentioned provided expert advice and research so the government could do a better job.

When I look at what the Economic Council of Canada produced in this booklet which is called: *A New Face of Poverty* I can understand why a government might be loathe to continue to support it because it gets to the root of a problem when it examines the face of poverty in Canada.

I mentioned just a few moments ago that we have close to five million people living at or below the poverty level, over one million of those are children, the vast majority of whom are women. Let us look at this booklet and give a couple of examples of some of the things they say that might in fact make governments shudder a little bit: "Unemployment insurance does not serve the needs of some of the unemployed. Good jobs have become difficult to find, creating economic difficulties", and it goes on to talk about economic stress and what have you.

I can understand why governments would be nervous about that kind of advice. On the other hand, if we are committed to try to improve the human condition, if we want to wrestle our problems to the ground, to make Canada a better country, surely we should not shy away from hearing the truth from experts who have worked long and hard in trying to determine what it is that needs to be done.

What are the reasons for dismantling these organizations? We have heard about the economic reasons. We know they are not true. Of course there will be some savings in a way, but if we look at the losses as a result of the dismantling, what are the real savings? No one has come up with that figure. Savings are not the real reason. That is a smoke screen. That is to camouflage the dismantling. That is simply to try to find an excuse to explain it in away to Canadians.

We know that some $20 million is a lot of money. I do not want to minimize that. But I suspect that $20 million could be saved by reducing the size of cabinet. Let us start with cabinet and some of the perks that its members get.

An hon. member: Get rid of those Tories.

Mr. Duhamel: We could reduce the size of the ministerial staff and save much more than $20 million. We could cut down on the polling and government advertising and already we have saved several millions more. If the intent was to save $20 million, there were some targets which were much more appropriate that would have been much more acceptable to Canadians and would have been much more honest.

Saving money, no, but government is attempting to get closer to this reform agenda. Why? Because it has noticed that the reformers are in fact crowding into its boat. What do you do? You adopt some of their stances, some of their policies or you get as close to them as possible without getting burned.

There is a lesson to be learned here by government members and by the people of Canada. This kind of cutting, this kind of slashing without regard for the human condition, for the workers who were there, without looking at the real cost that is going to be incurred because of the lost research and the lost expert advice, just looking at the superficial $20 million is what the Reform Party would do. That is what it is all about. It is skimming the surface. It is taking complex problems and giving simple little solutions in 30 seconds or shorter clips. That is exactly what it is all about.

Let me tell you another reason why there is dismantling here. You will recall that the government cut down the civil service. When I ask how much money was spent on contracts because some of that work still had to be done, lo and behold, there were no records. I must confess, I find that surprising.

There is deep suspicion that there is even more money being spent today than before those civil service cuts took place. Where has the money gone? Where has your money, my money, my colleague's money and other Canadians' money gone? I suspect that it has gone to private firms and to private agencies.

What is going to happen over here? We know full well the governments, no matter their political stripe, will need to continue to have expert advice. We know full well that the money that was supposedly saved will be going to corporations, firms and friends of government. I am going to be watching closely and my friends will as well.

If that is what happens, then it is hypocrisy of the highest kind. I see a similarity between these reductions here and the reductions that took place in the civil service.

[*Translation*]

They cut organizations. It could be said of most of the people involved who know the problems and were trying to solve them that they did an excellent, thorough, enlightened job that helped us parliamentarians look as objectively as possible at our society's problems and come up with much more flexible, sensitive solutions.

• (1930)

Why did they do it? It was not to save money. It was mainly to make Canadians believe that they were reducing the size of government and trying to cut government spending. But, as I already said, that is not the case. They are just shifting some expense items around. I am willing to bet that this money will be spent somewhere else as they did with the Public Service. Admittedly some positions were abolished, but the work was contracted out. I would really like to have the answer to this question. I would bet a year's salary for a doughnut that the government spends more now than it would have spent if it had kept those positions.

It looks good to some people. Some people have accepted this government propaganda, and I find that unfortunate. As I said a little while ago, if the government really wanted to save, there are advertising budgets and all sorts of surveys ordered by the government that could have been cancelled and they would have saved much more.

[*English*]

I am willing to have my colleagues from the other side ask me all kinds of questions and challenge everything I have said. I encourage them to do so. What I would like to propose is that the government consider setting up a third party blue ribbon committee of outstanding men and women who will look at this government decision and who will determine whether or not these agencies were in fact providing useful services for what it was costing Canadians. Surely that should not be too difficult to do.

[*Translation*]

What I would like—and I will say it in both official languages to be sure that I am well understood—is for the government to promise to set up a very credible committee of men and women from all across Canada to review the government's decisions and tell the Canadian Parliament whether or not it was a good and wise decision.

[*English*]

Surely that is not too threatening.

In closing I would hope that my colleagues would be sufficiently shocked by what I have said, because they are all supporting this bill, that they would rise in their place and ask profound questions of me to see whether or not Canadians believe what I have said or what it is that they say, or what it is that they propose to do.

[*Translation*]

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I too am surprised that the members opposite have not asked questions of my colleague, the hon. member for St. Boniface. That is incredible.

Mr. Keyes: They are speechless.

Mr. Milliken: As the hon. member for Hamilton West just said, they may have been left speechless.

[*English*]

I can understand why they do not want to debate this bill. They have remained silent all day. In fact, I think it is safe to say that they are hanging their heads in shame at the fact that the government is proceeding with this legislation and destroying a series of agencies that have been extremely helpful to Canadians and to our country.

I had occasion to speak on this bill before as recently as yesterday in the course of debate at the report stage, and I certainly had something to say at second reading on this bill. My opposition continues unabated. What has really been shocking is that in an effort to arrange for a suitable debate today, the government has chosen to remain virtually silent. I do not believe any government member has spoken on third reading, unless the minister spoke when he introduced the bill at that stage.

Mr. Duhamel: It is a shame.

Mr. Milliken: It is a shame, as the hon. member for St. Boniface says.

Mr. Duhamel: They are ashamed.

Mr. Milliken: They are ashamed and they should be ashamed because the bill is doing untold damage to the fabric of our country. One of the extraordinary things about the government—I know the hon. member for St. Boniface, who has a particular interest in this subject will know this—has been their alleged enthusiasm for research and development. Research and development has been carried on in virtually all of the agencies that are the subject of the debate today and the subject matter of this bill.

The Economic Council of Canada did a great deal of research and development. The Science Council of Canada helped foster research and development. The Law Reform Commission did all kinds of work to assist in legal research in Canada and help our country develop

new laws. Indeed, the Law Reform Commission, as I indicated in my speech yesterday, was in fact very highly regarded by foreign law reform commissions that carried on similar work in their own countries.

We had an outstanding organization the government is now throwing out with the stroke of a pen with this bill. The shocking feature of the whole thing is it has done it without waiting for the bill to pass. In other words, we have become a rubber stamp for government action that followed on the budget. It is scrapping all these organizations and all but one of them does not even have a telephone line any more. The government has just decided to let them have it and has given them the old boot the chop. This is what it has done in a most undemocratic and irresponsible way.

It is fine to plead this is an attempt to save money. We all recognize Tory times are hard times and we have to save money. We do not have to go about giving these organizations the heave-ho without a very careful look at how much we are actually saving. What is the record? The government announced in the budget it was closing down 46 agencies and corporations at a saving of $10 million? As my hon. friend from Halifax West knows, it is peanuts for the number of agencies being closed down.

We should look at the total cost for the agencies. For example, the total projected savings for the Economic Council of Canada was something like $22 million a year. Half of it could be saved on the Economic Council alone. Add up the others. There is something wrong.

The government has moved a whole lot of the work these agencies were doing into other organizations. I do not know this for a fact, but I can only speculate they have moved them in so they can shift these responsibilities to government departments where they can be under the thumb of a minister. You know how they like to put the thumb to them and make sure their reports comply with the minister's wishes. Instead of independent and valid reports that reflect reality, the government wants something that backs up the minister's view of reality. That is what the government is after. I think that is what it is trying to do in this case. It is transferring the responsibility from an independent arm's length agency to a government department where it can put the screws to people if they do not come up with the report the government wants.

If a report is unsatisfactory in a government department, we know what happens. It gets buried. It never sees the light of day. The minister does not release it. An independent agency releases its reports and the public gets to read them and understand what is really going on. So it was with the Economic Council, the Law Reform Commission and the Science Council. All these bodies had the right to release their own reports.

Yesterday in the House one of the members of the New Democratic Party, the hon. member for Skeena, was making a speech and got a bit carried away. He referred to the cabinet in less than flattering terms. He spoke about their educational qualifications in a general way that was not polite or accurate. Understandably the government House leader, a Ph.D., the hon. member for Calgary South I think it is, came into the house and listed some of the outstanding qualifications of some of his cabinet colleagues. We were very pleased to see that. It was an enjoyable speech. It is unfortunate he is not here tonight to participate in the debate because he would enjoy it if he were. We would enjoy it.

As he knows, he was provoked into action last night. I see, Madam Speaker, you are threatening to wring my neck.

Madam Deputy Speaker: Yes, and I would hope the hon. member is not saying whether someone is in the House or not, which he knows is unacceptable in this place. I hope he would not provoke the minister into having to come down again tonight when everything is very quiet and everyone is having a very healthy debate. The hon. member for Kingston and the Islands.

Mr. Milliken: Madam Speaker, of course I would feel a lot better if a cabinet minister were here to hear this speech since this is a government bill. There is some responsibility under the traditions and practices of this House that a cabinet minister be here when a government bill is under debate.

• (1940)

Madam Deputy Speaker: The hon. member does not have to say which of the ministers he would wish to see in the House. The hon. member has the floor.

Mr. Milliken: I would be happy to see any one, but of course if the government House leader were here in particular, I would be thrilled. He is an outstanding debater. He has a Ph.D. He is much better qualified than I am to speak on subjects like the Science Council of Canada. My degrees are not in sciences. They are in the humanities and social sciences perhaps, but not in the very distinguished and stratified atmosphere of a Ph. D. like the government House leader.

I see my colleague, the hon. member for Edmonton—Strathcona is now getting a bit overwrought. I urge him to control himself. If he would like to make a speech or ask me a question at the conclusion of my address, I would be more than happy to hear from him.

What I wanted to say is we had the government House leader come last evening and tell us about how some of his cabinet colleagues were particularly well qualified to deal with these issues. The issue he did not address in his speech that sort of surprised me, was the fact all these people with Ph.Ds. and qualifications in science and engineering were abandoning the Science Council of Canada willy-nilly.

You would think if they had all this expertise in the cabinet and knew about these things they would say: "Well, we are grateful to have somebody like the Science Council of Canada give some independent advice on which way we should go".

But no. I guess they figured they had enough of them in the cabinet that they could make up their own minds. Yet all of these cabinet ministers have made speeches supporting R and D. I remember hearing the Minister of Industry, Science and Technology at a meeting of the Royal Society of Canada a couple of years ago at a conference. He made a speech saying how Canada was so short on research and development, how we had to get more government funding for research and development. Research and development was absolutely essential for the continued growth of Canada and our economic development.

Yet here we have the government giving the chop to organizations that fostered and sponsored research and development in Canada. There is no sense to its arguments. There is no sense to its rhetoric. There is no sense to its logic. It says one thing one day and does something else the next.

This government is frankly a disgrace. It has failed to address the issues that confront Canada. I would like to turn briefly to its economic record, which explains why we are going through these painful chops.

The government came into power in 1984. It is getting so long ago now it is hard to imagine. You would think it was yesterday from the way it complains. It's big theme was it was going to solve Canada's problems. It had all the answers. It was going to solve the deficit. It said the deficit was Canada's number one problem of 1984. It is still Canada's number one problem but not because it was in 1984. It is because the government has doubled the debt in the meantime and increased the payments so much. It has become a problem that is almost beyond solving thanks to the incompetent management we have witnessed from the government opposite for the last eight years.

Yet every time we ask a question in the House today in 1992, the same answer is given as was given in 1988 and the same one I know was given from my reading in 1984. That was, if we had not inherited this huge debt from the Liberals, we would not be in this pickle today. It is in the pickle today and it is not because of what happened eight or ten years ago. It is what happened over the last eight years. In every single one of them, the deficit has been enormous because of the government's mismanagement of the economic affairs of this country.

Now the government is getting rid of one of the principal organs of advice it had to give it advice, and that is the Economic Council of Canada.

The Science Council of Canada throughout its 15 year history did all kinds of things for this country. Let me read a brief list of its accomplishments. It recommended the creation of a Canadian space agency. It urged Canadians to recycle. It published reports on sustainable agriculture, water supply, biotechnology and technology for cold regions. These are just a few of the outstanding areas in which they moved to provide leadership for Canada.

The Economic Council of Canada is well known for its annual review, which focused on one of the problems confronting the economy.

A few years ago I recall the review—I have forgotten the title of it—that dealt with the problems of the deficit and national debt in Canada. *Legacies*, I believe was its name when I come to think of it. Perhaps Your Honour read it. It talked about the evils of the deficit and the debt, how large it was and how it was making it increasingly difficult for Canadian governments in future to provide for the necessary services and policy options that should be available to any government in this country. It spoke about the need for bringing the deficit under control. The study fitted in entirely with the government's avowed intention.

However, what it said was one thing and what it did was quite another. Deficit control has remained at the bottom of this government's list of priorities. It keeps announcing these little chops. I think it has announced that it will save $22 million a year on this deal, but where has it been spent? It has all been spent already. Every cut that was announced in the budget last February and all the savings that resulted from those cuts have been re-spent. It is all in the supplementary estimates that were tabled in the House of Commons this week.

You know that, Madam Speaker. I know that and the hon. members opposite who are left know that, even if they do not have a cabinet minister here to tell them about it. They know perfectly well that is what has happened. All the money has been spent recklessly because they have failed to manage the economic affairs of Canada properly.

I could go on at great length. I know I do not have the same time restrictions that I suffered from last night. I must say the first eight minutes of my speech went terribly quickly and I found that I was running out of time. However, tonight with the additional time of the 20-minute speech I have the option of speaking a little more slowly and enjoying the comments of my colleagues opposite a bit more.

The Science Council, the Law Reform Commission, the International Centre for Ocean Development, the Canadian Institute for International Peace and Security, the Canadian Employment and Immigration Advisory Council, and the Economic Council of Canada all have contributed to this country over the years.

Mr. Harb: Tremendously.

Mr. Milliken: As my hon. friend from Ottawa Centre says: "Tremendously" and now we are to say good-bye to all these organizations.

We put before the House a series of amendments to this bill yesterday. There were 50 or 60 amendments. This morning the government and its backbenchers, all its supporters in this House, voted against everyone quite mindlessly. There was no explanation tendered as to why these amendments were unacceptable. Some of them were quite good, but they just sat there and voted them down one after another, obviously they were quite unthinking and very much uncaring.

Some of the amendments deleted the inappropriate sections of this bill and every single one was voted down. I regret that the government has shown a complete unwillingness to show any flexibility in this case. It has clearly shown a lack of compassion in dealing with the importance of these issues for Canadians.

There is one reason for introducing a bill of this Draconian nature, and that is because it has allowed the deficit to get out of control and it is trying to save it. For $22 million, the government is getting rid of organizations that are costing a good deal more.

As I said at the outset of my remarks, it is attempting to move the work those organizations are doing into government departments where it can control the work and control the result. It is regressive. It is unfair. The government should be ashamed of itself for proceeding in that way.

I would only hope, even at this late date, the members opposite who have the opportunity would cast their votes against this government or absent themselves from the vote on Monday night if they had any sense. I say to them: "If you cannot vote against the bill, go out of town and stay out of town, stay away from the vote and maybe we will be able to solve this problem by defeating this bill and putting it in the trash-can where it should be".

That is the position of our party. I am pleased we have been able to rise and participate all day in this debate. We have frankly carried the debate. We have had no assistance from the New Democratic Party either.

Mr. Harb: Why would they be here? They are busy cutting grants for students.

Mr. Milliken: Yes, they are probably off licking their wounds after their provincial colleagues have cut and slashed the grants for students. I do not know, but it is a shocking thing that they have abandoned this debate. The NDP has abandoned these organizations and have left it to the members of this party to try to carry this debate, to convince members opposite that what they are doing is wrong and that the government should recant, change its policy, and withdraw the bill.

• (1950)

[*Translation*]

Hon. Marcel Prud'homme (Saint-Denis): Madam Speaker, I wish to give notice that I will raise a question of privilege or a point of order tomorrow concerning an oversight, and I am sure it was not more than that. I spoke last night and my speech was attributed to another member. Perhaps it was because I bored some of my listeners. As usual, I talked about Israel and Palestine, very briefly, but I have been thinking about this since this morning. I do not want to bore the people who listened to us last night, or the members who are still in the House, by repeating what I said yesterday.

I am sure thousands of Canadians, and especially young Canadians agree with me. I do not like cut and dried speeches that put the blame squarely on the other side's doorstep, but what I really do not like is this government's decision to dissolve the peace institute we created in 1984.

Perhaps I may recall—since last night it seems some people did not realize this—that the Right Hon. Pierre Elliott Trudeau had launched a peace initiative in 1984. Subsequently a bill was tabled by the Hon. Allan MacEachen, minister of external affairs, to create an institute that, as you all know, examined these very important issues. The external affairs committee, which I had the honour to chair at the time was then called the Standing Committee on External Affairs and National Defence. The fact that both departments were handled by the same committee had always been a bone of contention. I say this as an additional bit of information for our listeners. In fact I received a lot of calls since last night about the short speech I made on this very important subject. We can talk about the economy, but if there is no peace, if the whole world is in a turmoil, the economy may be important but we still have to provide a solid foundation and that foundation consists of peace, international understanding, and so forth.

In 1984 it was agreed we could establish an institute. Unfortunately the Trudeau era, as they say, was drawing to a close and we were racing against the clock I am doing this from memory. I did not want to speak this evening but when I saw last night's mistake I decided to join in the debate again. In April 1984 there was second reading of the bill standing in the name of Mr. Allan MacEachen, whose is now a senator and was at one time leader in the Senate. After second reading, as we say here, the bill was referred to the Standing Committee on External Affairs and National Defence. Last night I paid tribute to Mr. Stan Darling, who had always been a pillar of this committee, often at odds with his party colleagues.

At this point, perhaps I may mention that it was important to have the committee covering both external affairs and national defence. However, the Conservatives who are now in the government, had always wanted to separate them. Perhaps I should explain why I was against separation. It is quite simple. I think it is very sad when we see members who specialize exclusively in peace issues and foreign affairs, while other members concentrate only on national defence, without any dialogue between the two.

Some members say: "Oh, it is like social affairs. We will appoint all the women MPs to social affairs. For issues like foreign aid, we will appoint the good souls in Parliament. For national defence we will appoint the tough guys".

Personally I always combined the so-called tough guys with people who had some sense of internationalism and the two groups had to listen to each other. People who believed only in defence, defence and attack, had to listen a bit to the concerns of Third World countries which were represented by another group of members.

The external affairs committee had to race against the clock, because several members did all they could to sabotage the Institute from that time; they said it was a gift the Liberals wanted to give when Mr. Trudeau left office. At that time he had already announced that he was going. I was the poor chairman, caught between my colleagues, national defence types and people whose

main concern was external affairs and foreign aid. I had to make my way through that and I made everyone work day and night. That is how we got it. I reported to Parliament on June 27, 1984. Imagine, Parliament was dissolved. The Trudeau era ended on June 29, 1984 and I reported it to the House for approval on June 27, 1984. I explained it last night but I will repeat it. Some say that for the first time in Mr. Trudeau's life he said what he thought of me. He said that it was thanks to the committee chairman's patience that we had the peace institute. I was away from the House because I was busy on the telephone solving an immigration problem for someone who had been denied entry to Canada; there was a big international conference on the Middle East in Montreal.

To get to the heart of the matter and not take too much of the House's time before we vote, I must say now that it is regrettable. This institute had 40 employees and a budget of $5 million. The first director general, a great diplomat, was the son of former Prime Minister Pearson. It was all peace people who had an idea of international security. For $5 million, we got a tremendous reputation throughout the world.

[*English*]

I will repeat and repeat for the young people sitting in this House and those listening the word Canada is too important in the world. The world talks about us in terms that Canadians sometimes do not even use and I regret it. I regret it in both languages. We are more popular outside Canada. I do not understand why Canadians do not realize and do not take more pride in this great country. We are perceived in the world as a country where, at the end of the day, we always find a solution between French Canadians, of which I am one, and English Canadians, which some others are, between the first citizens of this land and between the new Canadians who are now helping to shape this country. The rest of the world looks at us and says: "If Canada can succeed with all the young people of various origins living harmoniously together, there must be something special in that country".

The peace and security institute was an element of that, studying what goes wrong in the world. Imagine. It brought together here in Ottawa, as I said last night, people with a devotion for the survival of the state of Israel with people who are Palestinian—what a dangerous word in North America, a word I am familiar with. That was the kind of role the peace institute played, to bring these people together in a forum, in a debate, in a weekend discussion so that we could find a solution in order to live on a more harmonious planet. That was part of the role of the Canadian Institute for International Peace and Security.

On top of that, the board of directors had to be approved by various leaders and rightly so. It was not a packed political patronage or what have you. Names had to be submitted for acceptance to sit on the board and foreigners could sit on the board. It is quite exciting that foreigners could sit on the board. All that for $5 million.

• (2000)

Every modern country in the world has pride in that kind of an institute for many reasons. Canada had that institute. Knowing Mr. Trudeau, and let us say I have known him since I was 17 years old. I sat here with him for 20 years. I know he was so proud of that institute that brought together such a variety of people with various opinions.

As I said last night, and I repeat, it is regrettable. I do not want to attack because it solves nothing, but it is regrettable that we do not make the nuance between what is essential, what is the pride, what creates pride in young people to make them understand how complicated the planet is.

For those who believe that the world is all right now, think of the Soviet Union which I knew by heart. It has fallen. Now we have a new world order. Do not count on me to be applauding too much because I am afraid more of one dictatorship as benevolent and as friendly as the United States of America may be—and I am a friend of the United States and its citizens—but it is not healthy that there is only one dominant master in the world.

The peace and security institute was about to study all these matters. Those who are ready to go to sleep and to say that at long last we can sleep in peace because communism has fallen, as I said last night, I have news for them all.

This planet is more dangerous maybe than ever before because the death of communism has opened something unbelievable. It has opened all kinds of nationalism, confronting each other with hate and passion and producing what we see every night on television, the horror we see under the new world order. We have to study very carefully these new movements, these millions and millions of people who will not remain in their countries.

Canada may look like a do-gooder. We do not have major problems. We do not have many boundaries. We have two oceans. We have the north. We have the United States that can always be a buffer.

However think of Europe, think if you were a 19-year old Ukrainian or Polish person, or of any of the eastern countries, you would take your chances and go to Europe. The worst that could happen to you is that you would be shipped back. But that means the frontier. Now the problem of the frontier in Europe is very dangerous. Look at what is going on in the Balkans. That is exactly what the peace and security institute at times was studying.

Graciously organized parliamentary organizations came here. I will produce a report next week on parliamentary associations if the management and members' services committee does not produce it. The time has come to say what this is all about and the importance of parliamentary associations.

We worked closely with the peace institute. Members of Parliament of Canada are not provincial members. They have to have international preoccupation, but in order to have an international preoccupation. There must be a variety of informants or a variety of sources. Yes, you could count on the very devoted people at external affairs to inform you. But this kind of institute is also an extraordinarily good source of independent thinking. The sadness is that sometimes we say we will deregulate, that we will privatize everything because it looks good. It looks politically rentable. I do not know how you translate rentable. Can anyone here say that quickly for me?

[*Translation*]

It pays politically.

[*English*]

It pays to look like you are for privatization but to talk about transportation, you are for privatization, of course. For those whose philosophy is anchored in one word, it looks good to have abolished all these institutes and everything else that my colleague spoke of tonight, and very more ably than I. I see them all here. They all spoke about that. Other members of other parties spoke about the dismantling of all these institutes.

Personally I want to be on record to say as strongly as possible, without the slightest partisanship attached to my comments, that we will live to regret the dismantling of the Institute for International Peace and Security. My colleagues across the aisle understand that it takes years to build something and before its reputation spreads around the world. Scholars of the world were talking about this peace institute of Canada, as were military minded people and the experts in defence, experts in security and experts in internationalization of conflict. We are talking about the peace institute.

Madam Speaker, you have great experience in these matters. I must say that you are a great credit to Canada. You represent our country, some macho would say with charm, but I would say not only with elegance but with knowledge. You do honour to Canada when you go abroad. We do not have to be scared by the press or other people who think that when members travel, it is a travelling agency. It is important because we are inter-related in this world, on this planet. We must know what is going on around the world before we vote for fisheries and wheat. We are inter-related not only in this country but in the world.

The Institute for International Peace and Security was about to become a jewel in something Canada has always done well in. Many other countries were glad and even envious to see that a country could take such initiatives. How could you expect an old parliamentarian like me not to say openly how sorry he is.

Come next election I assure you, as I said last night, if thanks to God—and God may be a woman—I am re-elected I will try to convince the new government of the day that it may have been a fatal mistake and we should reinstitute the institute. I see a lot of good in this institute on a troubled planet.

[*Translation*]

Young people must understand that Canada is for me perhaps one of the last beacons of hope for humanity in difficulty, where we can find solutions together while respecting our differences.

[*English*]

The peace institute was always studying and teaching all of those who came to study at the institute that you cannot have peace, you cannot have a harmonious world if you do not accept and respect the differences that exist in each one's country.

Canada has shown the way, and suddenly, sadly, for all kinds of reasons, we have disbanded the institute. I want to be on record as saying that I profoundly regret it.

Mr. Milliken: Madam Speaker, I want to apologize to one of the hon. members on the other side for an apparent error I made in my speech that he has drawn to my attention. The hon. member for Carleton—Charlotte apparently did make a speech today on this bill. I am delighted to hear that he did and I am very sorry that I missed it. I was in a committee this afternoon and I dare say it happened then. I am sure it was a wonderful speech and I am pleased that he got up and spoke on his side because there were only apparently two that did. I inadvertently misled the House by suggesting that there had not been any speakers from the other side. I understand there were two. I am only sorry there are no ministers here to vote for the bill.

Madam Deputy Speaker: I am sure the hon. member will make sure that he reads *Hansard* tomorrow to know what the hon. member for Carleton—Charlotte said.

Is the House ready for the question?

Some hon. members: Question

Madam Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

Madam Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

[*Translation*]

Madam Deputy Speaker: Pursuant to order made Wednesday, November 25, the recorded division is deferred until 6 p.m. on Monday, November 30.

It being 8.11 p.m., the House stands adjourned until 10 a.m. tomorrow, pursuant to Standing Order 24(1).

The House adjourned at 8.11 p.m.

HOUSE OF COMMONS

Friday, November 27, 1992

The House met at 10 a.m.

Prayers

[*English*]

PRIVILEGE

BILL C-91

Hon. Bob Kaplan (York Centre): Mr. Speaker, last night my colleague, the hon. member for Kingston and the Islands, gave notice of a question of privilege based on misinformation given to the House in connection with Bill C-91, an act to amend the Patent Act.

My colleague and I were prepared to argue this question of privilege today, which by the way is based on nine affidavits that have been made available to the Table and to the ministers concerned.

I understand that one of those ministers is unavailable today. Because of the serious nature of this question of privilege, my colleague and I are certainly prepared to postpone the presentation of the matter until a convenient time can be offered by Your Honour next week.

Mr. Speaker: I have received notice of the question of privilege to which the hon. member refers. The best thing to do would be for the Chair to make some inquiries and then in consultation with all concerned, select a time in the early part of the coming week, Monday or Tuesday, when it is convenient for all parties to be present. I will proceed with it at that time.

* * *

• (1010)

POINT OF ORDER

BILL C-26

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, on a point of order, since the government is unable to proceed and since this bill is under time allocation, I would suggest that we abandon the day to Bill C-26, suspend the sitting of the House until eleven o'clock and we will have to count this as the first day of the debate on Bill C-26 at third reading, if the government is able to find a minister after Question Period to move the third reading of the bill.

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, on the same point of order, of course I am always impressed by the puckish impertinence of my friend opposite.

As was demonstrated the other day, our ministers are fleet of foot. I can assure you, Madam Speaker, and the entire House that we will be properly constituted in very short order and will be able to proceed.

The legislation before us needs to be addressed with all seriousness and it will be. The very notion of delaying the business of the House because of what my hon. friend from Kingston and the Islands is advocating is mischievous and somewhat impertinent in my view.

What needs to be done is not to dispense, but as the people of Canada would expect us to do, we should proceed with all dispatch so that we are able to deal with the bill before us, Bill C-26, the Public Service reform act, in the appropriate way.

GOVERNMENT ORDERS

[*English*]

PUBLIC SERVICE REFORM ACT

MEASURE TO ENACT

Hon. Harvie Andre (for the President of the Treasury Board) moved that Bill C-26, an act to amend the Public Service Employment Act, the Public Service Staff Relations Act and other acts in relation to the Public Service of Canada be read the third time and passed.

Mr. Dingwall: Madam Speaker, on a point of order, before my colleague begins his remarks, I have two points to raise.

First, my colleague from Kingston and the Islands when he rose in his seat earlier was not being mischievous as implied by the parliamentary secretary to the government House leader.

Second, out of general courtesy, I would hope that the time which has been lost because ministers could not be here would be added to the time under which we are operating today.

Mr. Bill Kempling (Parliamentary Secretary to President of the Treasury Board and Minister of State (Finance)): Madam Speaker, it gives me great pleasure that Bill C-26 will be given third and final reading today. It has been almost three years since the Prime Minister announced PS 2000, an initiative to renew the Public Service of Canada from which this legislation has flowed.

Canadians expect and are entitled to a professional and highly qualified Public Service, one which is committed to serving Canadians and recognizing the excellent work of Public Service employees. Nearly every provision in Bill C-26 relates to meeting these goals either directly or indirectly.

These include initiatives to improve the speed with which jobs can be filled and cut the red tape in order to assign more resources toward the primary goal of the federal Public Service serving the Canadian public. This goal, I emphasize, will be reached with no reduction in the level of fairness and transparency in the staffing process.

This bill is the first major piece of Public Service legislation in 25 years. Once passed it will significantly affect the lives of 218,000 employees. Needless to say, it is not a bill that was drafted overnight.

Shortly after the Prime Minister announced Public Service 2000 and before one clause of Bill C-26 was drafted, ten task forces took eight months to closely examine almost every aspect of Public Service management.

Task force members drawn from senior ranks of government consulted extensively with all levels of employees, with unions, with other governments and with interested groups outside the Public Service including the Public Policy Forum and the Conference Board of Canada. They communicated with thousands of employees through workshops, group surveys and discussions.

Many suggestions for improvement came from the employees themselves. Some Public Service unions did not feel a part of the process and they complained, perhaps with some justification, that they had not been adequately consulted. That is why in the fall of 1990 it was decided to delay the introduction of legislation for some months to allow for more consultations. I am pleased to say that those additional consultations did not slow the process of reform.

Major initiatives to streamline systems and improve service are now underway in every government department and agency. More decisions are being made at local levels and employees are playing a greater role in determining how best to do the work. Although there is still a good way to go, progress is being achieved.

Revenue Canada Taxation, for example, with a clientele of 18 million people and one million businesses, has established new performance standards. Callers from anywhere in Canada will now be connected to a taxation agent within three minutes. Clients requesting personal service will not wait more than 20 minutes. Revenue Canada tax managers can now decide on the spot whether a taxpayer has a legitimate reason for filing late. Until this year, taxpayers had to apply formally through the Minister of Revenue to have late filing penalties waived.

Counsellors in the district offices of Veterans Affairs can now handle most low to moderate health risk claims under the Veterans Independence Program on the spot and thereby speed up decisions for their clients.

As promising as these and hundreds of other improvements are, critical reforms in the areas of staffing and staff relations can only go forward once Bill C-26 is passed into law.

It is not my intention to go into the details on the bill at this time. We have already done that in previous sittings. However, I would like to touch on one or two other important reforms contained in Bill C-26.

Deployments or lateral transfers will allow managers more freedom to move employees in order to respond to operational needs and enhance service to the public. These deployments will be under the control of a deputy minister and guided by policies and guidelines approved by Treasury Board.

Deployments will not be, as some unions have suggested, a management ploy to exile poor performers or out-of-favour employees into the frozen hinterlands. On the contrary, there will be developmental opportunities to allow employees to take advantage of a move to learn new skills in order to expand their career opportunities while at the same time permitting the public to be better served.

Except where deployments are considered a condition of work, such as in the foreign service, these moves will only be made on a voluntary basis.

The concept of deployment does not, as some unions have suggested, violate the principle of merit. People will continue to be hired and promoted based on a competitive process that awards positions to the best qualified candidate.

Deployments are transfers, not promotions. They are horizontal moves specifically designed to fill gaps in the service to the public. They also encourage learning, provide job opportunities for employment equity groups and result in greater career development.

Employee rights are also carefully protected. Where an employee thinks that there has been an abuse of authority with respect to a deployment, he or she will have the right to seek redress, including a third party investigation.

• (1020)

Bill C-26 recognizes, and in some cases such as apprenticeship and training programs or reclassifications, that merit is best served by measuring an individual's competence against the standard established by the Public Service Commission rather than in a competition against other people. Introducing some flexibility in the way the merit principle is administered will in no way compromise its integrity.

With a Public Service of over 218,000 employees and staffing systems that in the recent past resulted in approximately 100,000 appointments a year, there is never-ending pressure from taxpayers to cut the costs of internal administration. This is particularly so in an age of fiscal restraint, greater global competitiveness, and increasing demands from the public for service.

The issue of deployment and merit as well as other important issues such as employment equity have been intensely scrutinized over the past several weeks by the legislative committee examining this bill.

Over the past two months 19 witnesses have given testimony before the committee. The President of the Treasury Board appeared before the committee, as did several government officials and representatives from the Public Service Alliance of Canada, the Professional Institute of the Public Service, the Economists, Sociologists, and Statisticians' Association, the International Brotherhood of Electrical Workers and other public service unions as well. Representations were also made by a number of academics, lawyers, and individuals with specific interest in the bill.

During the first month, committee members listened to presentations, questioned witnesses and examined 11 briefs which were submitted during testimony. This was followed by three weeks of clause-by-clause analysis of the bill in which all 109 clauses were examined in detail, debated, and voted upon. During the process over 100 amendments were examined by committee members.

As a result of this scrutiny, which has significantly strengthened the bill before us today, the government has introduced substantive amendments which would enshrine in law its commitment to employment equity. I am happy to say that these amendments were developed in partnership with committee members and the Liberal critic for the Public Service, the hon. member for Ottawa West.

The government is committed to ensuring the Public Service better reflects the public it serves. Visible minorities, aboriginal people, women, and persons with disabilities must have the same recruitment and advancement opportunities in the Public Service as other Canadians.

As a result, the government through Bill C-26 has proposed to bring its employment equity policy under legislation. This will replace employment equity requirements on Treasury Board comparable to those placed on other federally regulated employers.

Under the proposed provisions, Treasury Board will have a legal obligation to set goals and timetables, and report annually to this House on government progress on employment equity. The Public Service Commission has a strengthened role in implementing equity programs. Spelling out our obligations in law should leave

no doubt as to how seriously this government is committed to employment equity.

The government is equally committed to moving forward with public service reform. As our population grows and diversifies, so do the demands on government for essential services we as Canadians have all come to expect from our Public Service.

If we are to maintain and improve our standards, efficiencies must be brought in to increase productivity. If we cannot hire more people to do the work demanded of us by the public, then we must at least remove those inefficient rules and regulations which impede the fine work our public service employees are committed to doing.

Bill C–26 would do just that. It would also mean more opportunities for employees, more varied work, a more simplified classification system which would allow for more career movement, particularly for women and other employment equity target groups. It is no secret that years of downsizing, of curbs on wages and spending and less than harmonious labour management relations has affected the morale of the Public Service.

Public Service 2000 proposals should improve morale by removing many of the obstacles that are frustrating for everyone, but morale and services can only improve if employees feel they are being fairly treated, their opinion is of some value to the organization and that they are appreciated for the job they are doing.

In Atlantic Canada, for example, Supply and Services Canada found itself facing severe resource constraints and increased client demands. The regional and district offices responded by introducing new management styles, improving internal communications, tackling problems in teams and seeking employee suggestions on how to improve services. Some 500 suggestions were received and many were implemented. In just two weeks the money saved from introducing some of these changes paid for the whole exercise. Productivity and labour relations improved and employee stress levels dropped.

Similar efforts to involve employees in decision–making, delegate more authority to them, and encourage teamwork and a sense of pride and ownership in their jobs are going on all across the country. These reforms must continue if Canada is to keep its place at the table of the great industrialized nations. They will continue once they are provided a sound legal basis through Bill C–26.

I would like to take a moment to express my sincere appreciation to the chairman, the hon. member for Cambridge, and to all committee members who put so many hours into ensuring that we had before us today a bill which I believe achieves a most important balance between protecting employee's rights, while endorsing common sense and modern management practices. I applaud all members of the committee for their reasoned and clear arguments on so many critical issues. Although our approach has often differed on many of these issues, there is no doubt that the bill has been significantly strengthened through their efforts.

In conclusion, I would like to encourage hon. members of the House to take a moment to reflect on the recent dramatic changes that have taken place at the world level. As we know, the Soviet Union has ceased to exist and the emerging east bloc countries are struggling to develop democratic traditions and a professional and dedicated public service. These are the same democratic traditions and dedicated professional Public Service that Canadians already enjoy.

The Public Service reform act, Bill C–26, would strengthen these traditions by allowing the Public Service to improve, adapt and provide the kind of service that will keep Canada competitive in the 21st century. It is the same kind of service that propelled Canada to first place in the United Nations ranking of human development among 160 nations. Bill C–26 is a key to ensuring that we can continue to build on this tradition of excellence. The key is in the hands of the hon. members here today and I urge them to pass this long overdue bill.

[*Translation*]

Mr. Eugène Bellemare (Carleton—Gloucester): Madam Speaker, as countries throughout the world undergo drastic changes in the structures of their social, political and economic institutions, Canada feels the impact of these changes as well. It is therefore important to look carefully at all our national institutions which will have to face the challenges of the 21st century, and at how they can best serve Canadians.

[*English*]

The Public Service of Canada is by far our most important institution. It offers us a wide variety of services which affect every aspect of our lives. Yet the food that we consume, the pharmaceutical products that we use, the roads and airports that we build, or the television programs that we watch, we know that a part of the Public Service has played a certain role, if not a major role, in those fields and many more.

• (1030)

Furthermore, contrary to popular belief, it is not all of the departments and not all of the employees of the Public Service that are located in Ottawa. In fact, only 33 per cent of all employees of the federal government are located in the national capital region. Therefore, over 65 per cent of federal public servants in our country are located in places other than the region of Ottawa–Carleton and the Outaouais.

When we looked over the work force, we quickly realized that the Public Service of Canada is not just any ordinary employer. Contrary to what our Conservative members of Parliament believe, the Public Service should not be completely managed like a private business. It is true that it is preferable for certain sectors of the federal government to follow characteristics of a commercial enterprise, but it is also true that we cannot fully apply the business philosophy to the whole of our Public Service.

The reason is simple. Our government services are not out to make a profit. As the name Public Service suggests, it is to provide essential services in an innovative fashion while keeping in mind the changing needs of our society.

[*Translation*]

That being said, I think we all realize that after a quarter of a century, it was time to review the legislation that regulates the operations of our government services. However, after having read and discussed the government's proposals, I think it is clear that any opportunity for positive reform will be lost for another quarter of a century.

The authors of Bill C–26 maintain this legislation will further simplify the administration of the Public Service by reducing the number of employment categories and will give senior officials the flexibility they need to manage a modern administration as it goes into the 21st century.

The Liberal Party agrees that revitalization of the Public Service to meet the changing circumstances of the future is absolutely essential. However, it should also be understood that changes are not acceptable at any price.

[*English*]

The Liberals consider that change is best managed in an atmosphere of respect, trust, co–operation and genuine consultation with employees and clients. The government promised to consult its employees about this reform, yet this bill was roundly condemned by employee representatives.

The House's most recent consideration of the Public Service Employment Act and the Public Service Staff Relations Act followed a lengthy process of co–operation and consultation in which parliamentarians and the general public, as well as the public servants and managers affected, have taken part.

On August 14, 1984, the Prime Minister had told the Professional Institute of the Public Service that a Conservative government would negotiate directly with the public service unions and associations in order to establish a better collective bargaining system in accordance with the provisions of the Canadian Labour Code. Unfortunately the process used by the architects of Public Service 2000 has undermined the government's original objectives.

Furthermore, those architects thought it advisable to ignore the recommendations of the public accounts committee on this subject. This parliamentary committee's report dated November 5, 1990, recommended that the government consider tabling a discussion paper before introducing legislative amendments or administrative changes. It then recommended referring the discussion paper to a special committee of the House on reform of the Public Service so that it could hold consultations involving employees, the public service unions and other interested parties.

The public accounts committee, on which I sit, also took responsibility for studying the information found in Part III of the Estimates which is made up of each department's parliamentary budget documents. What we were able to conclude on that committee is that Part III lacked clarity and that utter confusion was commonplace.

Another problem raised by the Auditor General is that sometimes a manager's unbridled initiative had caused serious problems of waste. For example, the Canadian on-line secure information and communications systems, referred to often as COSICS, at the Department of External Affairs proved to be a more complicated business than managers had foreseen.

COSICS is a communications system that links Canadian missions abroad and transmits information in coded and classified form. As it was drawn up in 1986, this project was supposed to be developed in two phases over a five year period at a total cost of $208 million. In the end, this initiative on the part of managers in that department will have cost $316 million and be seriously delayed. In fact, phase one of this project, a communications system in North America was completed two years later. Phase two, now nicknamed SIGNET, the communications system for all the other diplomatic missions is still not completed.

Another good example of waste appears in chapter 7 of the Auditor General's 1992 report which was presented in the House last Tuesday. Following the Conservative government's 1985 decision to reduce the size of the Public Service by 15,000 person-years over a five year period, it adopted a program of payments to employees under a workers adjustment policy.

Between 1986 and 1991, the Auditor General found that 64 per cent of these payments were either without foundation or called into question. That percentage equates to a wastage of $166.4 million.

The Auditor General attributed this loss to weaknesses in the management framework and weaknesses in departments. Furthermore, he alludes to a parallel of this incident and the Public Service 2000 program which advocates greater devolution of authority to departments and managers. Here is what he concludes: "We believe there are important lessons to be learned from this experience and significant improvements that need to be made, notably to the management framework".

[*Translation*]

Interestingly, the Auditor General stresses the fact that the government should be more concerned about doing away with duplication than about downsizing, since this practice has undesirable consequences such as a reduction in the quality of service to the public.

An excellent example which bears out the Auditor General's concerns about the government's arbitrary cutbacks may be found in a letter dated November 19, 1992, which was sent by the Secretary of the Treasury Board to all departments in the Public Service. The Secretary of the Treasury Board is asking departments to immediately cut an additional 2 per cent from their total budgets, which they may do arbitrarily. He admits that ministers realize that cuts of this size—especially with only four months left until the end of the fiscal year—may in some cases translate into deterioration of the level of service.

[*English*]

Here we are with a bill which institutionalizes the Auditor General's most recent and important preoccupations regarding the Public Service of Canada. In short, always lacking in both of these cases was an appropriate control mechanism that would have ensured that departmental operations and information were transparent.

The Office of the Auditor General presented an organizational plan for Part III that the government could adopt. This plan proposes that the relevant information parliamentarians seek such as departmental objectives, operations and missions be found in future versions of Part III.

The fact that there are management problems now, as pointed out in the Auditor General's annual report, makes me realize that in future with Bill C-26 there will be even more departmental problems to report. There will be as many operational mechanisms as there are departments. That means that the Public Service will be deprived of an over-all cohesiveness.

• (1040)

The foreseeable result is that the work of the Auditor General will only increase and that future Auditor Generals' reports promise to be quite voluminous.

If managers will have more freedom to manage as they see fit, I consider that Part III of the Estimates will have to clearly reflect departmental objectives and operations more than ever. Otherwise, in future the principle of

departmental accountability to Parliament will be seriously weakened.

I would now like to read a few comments made by witnesses who appeared before the legislative committee on Bill C-26. Regarding the Public Service Alliance, it was said and I quote: "We fundamentally believe that this approach to the employer-employee relationship is flawed. Moreover, it will inevitably result in an increased level of frustration that can only undermine the already abysmal morale in the Public Service. Such an outcome will adversely affect service to the public".

The Economists, Sociologists and Statisticians Association, ESSA, told us that in fact this legislation if passed in its current form will lead to a further breakdown in labour-management relations, employee alienation and a public perception that patronage and favouritism are alive and well in the federal Public Service.

A third witness, Professor Barbara A. Carroll of McMaster University, stated to the legislative committee that, and I quote: "This proposal has the potential for creating individual department fiefdoms. It places employees at the whim of the individual department deputy head, creating a new form of centralization within the departments without clarity, without accountability or the much vaunted business advantage of economies of scale.

[*Translation*]

I want to discuss four points of particular concern to me, which are the merit principle, contracting out, deployment and, finally, collective bargaining.

But first of all, I would like to congratulate the hon. member for Ottawa West on her amendment on employment equity, which was accepted as an amendment to clause 5 of Bill C-26. The government's original proposal was very weak, not to say ineffective. In fact, under the original provision, Treasury Board may provide employment equity programs, thus restricting that possibility. This clause seemed to have been designed more to improve the government's image than to guarantee fair representation of target groups, including women, aboriginal people, visible minorities and the disabled.

The Liberal amendment will oblige the government to apply to its own employees the employment equity rules that have applied to the private sector since 1986. Because of this amendment, Treasury Board will now have to develop a plan for identifying and removing barriers to employment equity for women, aboriginal people, visible minorities and the disabled; set a timetable for achieving a degree of representation of these groups that is at least proportionate to the representation within the general population, and to report annually to Parliament on the state of employment equity in the Public Service.

Thanks to this provision drafted by the Liberal Party, minorities need no longer be concerned about waiting for years until amendments are made to the Employment Equity Act. However, there are still a number of shortcomings which the government has decided to ignore. A major issue which is still up in the air is the role and responsibilities of the Public Service Commission in this area.

The Liberal Party proposed an amendment that would have defined the commission's role. The purpose of this amendment was to ensure that the standards and criteria used in competitions and appointments are completely non-discriminatory. In addition, the Liberal Party presented amendments that would have required the commission to investigate any complaint of harassment or abuse of authority. Unfortunately, the government completely ignored these proposals. It will take a Liberal government to properly complete the Liberal Party's initial proposals on employment equity.

[*English*]

On the question of the merit principle, at the moment we have a system based on competitions and appeals that, despite all its shortcomings, prevents abuse and ensures that the best qualified persons are appointed.

When a Public Service competition is held, the qualifications of one candidate are always compared with the skills of the other candidates. Clause 10(2) of Bill C-26 changes this method, thus allowing a candidate to simply be measured against the Public Service Commission's prerequisites.

From now on, the best possible candidate will no longer be selected to fill a position. All that managers will have to do to accommodate their needs is to team up

with a favoured candidate who meets the commission's requirements.

Unfortunately, with this change proposed by the government, we can already justifiably state that the merit principle has been sacrificed to the whim of the managers.

ESSA is quite right to quote that in substance this change to section 10 will revert the Public Service to what we perceive as Public Service 1900, a time when managerial authority was absolute. Despite all the justifications we heard on the subject from the Treasury Board representatives, it is nonetheless true that while studying this bill, the legislative committee's legal adviser noted an ambiguity in the wording of this clause. It is therefore not surprising that several groups are worried about this amendment and the repercussion it will have.

I would like to share the assurances provided to us by Mr. Robert Giroux, chairman of the Public Service Commission, in his letter to ESSA dated May 8, 1992. He states:

> Subsection 10(2) has been drafted as an exception to the more general provisions of subsection 10(1). We are currently proposing that the situations will be apprenticeship and occupational training programs approved by the commission. We believe as long as certain conditions are met, the new provision is the fair and sensible approach in these situations.

Frankly, I do not see how these words can reassure anyone. For all practical purposes, we are being asked to believe in the Public Service Commission's goodwill and as long as certain conditions are met, everything will work out for the best in the best of all possible worlds.

If we must trust the commission's goodwill, the fifth report of the joint committee on the scrutiny of regulations will not promote this feeling of trust. This committee made the following comment:

> The Public Service Commission is more preoccupied with avoiding the imposition of binding rules of conduct on department administrators and on itself than it is with meeting the need to implement an appeal system that is both fair and seen to be fair by participants and that furthers the commission's duty to uphold the merit principle.

In addition, PIPS concludes that Bill C-26 grants the commission even more discretion not to apply vigorous tests of merit, thus raising the prospect of further exploitation of the commission by the interest of senior management. Bill C-26 will further erode the ability of the commission to serve as a legitimate third party.

• (1050)

[*Translation*]

Finally, the Public Service Commission's credibility is very much called into question since the government and the commission admit that clause 10(2) should be subject to certain conditions because of the potential for abuse. Furthermore, they accept no amendment to this clause which would limit its application. Instead, they offer us vague, fuzzy promises.

We must therefore conclude that this government proposal which is supported by the commission is designed so that the courts and Parliament can interpret the meaning of the merit principle differently.

[*English*]

On the subject of contracting out, Bill C-26 encourages contracting out by allowing deputy heads to lay off professional public servants as a result of the transfer of their work or function outside the Public Service.

Particularly disturbing is the fact that we still do not know the total amount that the government has spent for contracting out. There is no mechanism that provides this figure for Canadians and oddly enough there is also no system that demonstrates the cost effectiveness of this practice.

Furthermore, there are many instances of contracts that are poorly carried out and have duplication of costs. All this is at the expense of jobs.

[*Translation*]

All the efforts of Liberal members on the public accounts committee to obtain a total amount ran into government obstruction. Nevertheless, it has been calculated that for the 1991-92 fiscal year, the government spent $5 billion on contracting out. Treasury Board cannot or will not account for the volume of work done outside the Public Service. Neither can it guarantee that this practice is cost effective; now it puts in the law that employees can be laid off when their work is given to an outside agency. From now on, employees will always live in fear of losing their job to an outside contractor. Now

that is a good way to continue developing a professional public service.

It is interesting to note a second time how the government defied the public accounts committee's recommendations. In its report of November 5, 1990 to the House, the committee recommended that the Treasury Board Secretariat and the Office of the Comptroller General ensure that departments and agencies disclose what they spend on contracts to replace the work done by public servants. Moreover, they should ensure that departments and agencies report on the services of people hired on contract. I find particularly interesting the last words of the public accounts committee on this subject:

> It would appear that the government should only use outside contractors to replace public servants where cost-effectiveness has been clearly demonstrated, taking into account the negative effects on public servants' morale.

Unfortunately, the public accounts committee's recommendations were never addressed by the government.

[*English*]

It must be stated that clause 19 of Bill C-26, which permits contracting out, was designed to do no more and no less than nullify the January 30, 1992 court decision which ruled that the government's use of contracting out while laying off its employees was illegal. This new provision is certainly the height of cynicism and shows how little compassion this government has for its employees.

On the question of deployments, the problems to which deployments give rise are found in clause 22 of Bill C-26. From now on deputy heads or directors will have the exclusive right to deploy employees in the sector for which they are responsible.

At present, deployments are subject to the merit principle and may be appealed. Once Bill C-26 has the force of law managers will have the right to deploy employees where they see fit and without taking the merit principle into account. If employees intend to dispute their deployment, they will find the procedure quite complicated since the right to appeal has been seriously limited, if not eliminated.

The legislative committee's clause-by-clause study of the bill clearly shows that it is the deputy head, the same person who makes a decision to deploy an employee, who has the ultimate authority to settle disputes.

PIPS argues that clause 22 will create an environment in which favouritism and abuses of power will prevail with no possibility of appeal. Employees' careers will depend on managers' goodwill, so much the better for cliques. Under Bill C-26 a deployment will not constitute an appointment and thus will not be subject to the merit principle.

There is no review process and no appeal. Decisions are made quite arbitrarily by public service executives and the employees have no protection.

Here again the history of this issue before the courts is far from reassuring. On January 30, 1992 the Federal Court of Canada ruled that the order allowing ministers to deploy an employee from one department to another was *ultra vires* because this practice clearly ran counter to the merit principle. The judge who made this ruling stated that accepting the government's position would be defeating the whole purpose and object of the Public Service Employment Act which is to ensure that appointments to the Public Service are made on the basis of merit. Two years ago, when it stated that it could deploy persons as it saw fit, the government had acted illegally by exceeding its authority.

In order to eliminate this minor judicial obstacle, the government is amending the existing legislation so it can deploy its employees at will.

[*Translation*]

The Liberal Party presented amendments to try to correct some troubling sections in this clause. Above all, we asked the government to ensure that promotions and demotions in the Public Service would not be done through transfers. Thus, the requirements of bilingualism and the merit principle would be respected.

I believe that the government's refusal to accept these reasonable amendments clearly shows the direction in which it wants to take the public service, namely to make it a place where patronage, and even incompetence in some cases could prevail.

As for collective bargaining, Madam Speaker, in 1967, Parliament adopted the principle whereby Canadian public servants, with some exceptions, have the right to collective bargaining. Bill C-26 takes thousands of employees back to the situation that existed before 1967.

It is incomprehensible that the federal government continues to refuse to extend the right to collective bargaining to all its employees, especially when this right is granted to employees of other levels of government, private-sector employees and even temporary employees.

[*English*]

ESSA is right to be indignant that while the Canadian government is a signatory to conventions of the International Labour Organization, whose purpose is to protect employees' collective bargaining rights, it is proposing to limit those very rights where its own employees are concerned.

Last, PIPS maintains that limiting the right to bargain collectively should be subject to a single criterion. Only when there is an actual conflict of interest between being a union member and carrying out duties and responsibilities on behalf of the employer may this right be denied.

I would like to conclude this speech by noting the words of Barbara Wade Carroll, a professor at McMaster University and an expert in the field of public administration: "It is a clear tenet of organization theory and management that the way to achieve organization changes is by changing it not from the top, but at the top. Yet neither Public Service 2000 nor Bill C-26 addressed the need for such change except—"

[*Translation*]

Madam Deputy Speaker: I am sorry to interrupt the hon. member, but he will have time to finish after Question Period and Routine Proceedings.

It being eleven o'clock, the House will now proceed with Members' Statements pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

CYPRUS

Mr. Gus Mitges (Bruce—Grey): Madam Speaker, UN chief Boutros-Ghali denounced Turkish Cypriot leader Rauf Denktash for the lack of progress in the recent round of UN-sponsored Cyprus peace talks in New York and called on the Turkish side to review its position.

In his report he suggested several measures that would contribute greatly to the success of the negotiations. These included a reduction of the Turkish occupied troops, the handing over of the Turkish occupied town of Famagusta to the UN, the promotion of contacts between the two communities, less restrictions of foreign visitors, communal co-operation with the UN for the resettlement of Turkish Cypriots, proposals for bi-communal projects and a Cyprus-wide census.

The report takes a harsh stand against Mr. Denktash, noting that the solutions he is seeking are incompatible with the UN set of ideas to provide a bi-communal, bi-zonal federal Republic of Cyprus with a single sovereignty, citizenship and international personality.

Hopefully, when talks resume again in March, some concrete results will be forthcoming for the betterment of Cyprus and all its people.

* * *

CORNWALL CORONARY HEALTH IMPROVEMENT PROJECT

Mr. Bob Kilger (Stormont—Dundas): Madam Speaker, the Cornwall Coronary Health Improvement Project is an innovative community health project which has obtained fascinating results.

During a four week intensive intervention program, 500 participants lost a total of one and a half tons of excess fat. Those with elevated cholesterol levels obtained an average drop of 16 per cent. In addition, 36 smokers quit, the group collectively walked 12,000 miles, and many participants obtained marked reductions in medications for the control of angina, hypertension and diabetes.

The projected 62 per cent reduction in coronary risk was accomplished without any government funding. The results obtained by the CHIP program and the potential savings similar programs could have makes this project a very valuable method for improving the health of Canadians while also contributing to reducing the mounting financial burdens being placed upon Canada's health care system.

* * *

DIABETES MONTH

Mr. David Bjornson (Selkirk—Red River): Madam Speaker, I would like to draw the attention of the House to the fact that November is diabetes month.

Over one million Canadians have diabetes, with over 60,000 new cases diagnosed each year. In fact, the theme of the diabetes campaign is "One million Canadians have diabetes—half don't know it".

The cost of not knowing is high. Diabetes is a major cause of adult blindness, it doubles the chance of a heart attack or a stroke, and the annual cost of diabetes to the Canadian health care system is in excess of $2.5 billion. The Canadian Diabetes Association, through education, wants to alert those who may already have it and to reach those who may be at risk for the condition.

The discovery of insulin by Canadian researchers Banting, Best and McLeod in 1921 provided new ways of managing diabetes, and has meant a longer and healthier life for those suffering from the condition. But it did not provide a cure. Continued research is necessary.

I would like to commend the efforts of the Canadian Diabetic Association and all those who share their work, and wish them well with their campaign.

* * *

EAST TIMOR

Mrs. Beryl Gaffney (Nepean): Madam Speaker, a week ago today the Indonesian news agency *Antara* reported that Xanana Gusmao was arrested by Indonesian military forces in Dili, East Timor. He is the leader of East Timor's independence movement and a key player in the negotiations currently under way under the auspices of the United Nations regarding the future of East Timor.

Xanana is currently being held incommunicado in detention and there are fears that he may be subjected to torture or ill treatment by the Indonesian security forces. They have admitted that Xanana is undergoing intensive questioning and have rejected calls for the Red Cross to be allowed to visit him.

The Canadian government should take steps to ensure that Xanana Gusmao is released immediately; that he is afforded the minimum protection provided under the relevant UN conventions; that the Red Cross is granted immediate access to him; that his lawyer is allowed to be present at all times during questioning; and that he is able to participate in the talks about the future of East Timor with the UN.

As I outlined in a speech at the UN last year—

Madam Deputy Speaker: I am sorry but your time has expired.

* * *

YOUNG OFFENDERS ACT

Mr. Ken James (Sarnia—Lambton): Madam Speaker, with the coming into force of the Young Offenders Act, Canada's treatment of criminal activity by youth underwent a marked change. The Young Offenders Act recognizes the special needs and the vulnerability of youth, but also places emphasis on the protection of the public. However, society is changing and unfortunately so are the crimes of our youth. I want our government to re-examine this legislation and make the necessary changes so that the law accurately reflects the reality of our society.

In discussions I have had with chiefs of police, law enforcement officers and members of the public, there was a consensus that changes must be made. First, being 18 years old and falling under the Young Offenders Act is too old. Also, there is a problem with under-12 year olds not being charged under the act.

In addition, youths 15 years old and over who have been convicted of first degree murder should automatically be referred to the adult court for sentencing. Finally, records of violent youth criminality should be made available to principals of schools at which a young offender is in attendance.

If our system of justice is to be fair, equitable and effective—

Madam Deputy Speaker: Your time has expired.

* * *

HUMAN RIGHTS

Mr. Howard McCurdy (Windsor—St. Clair): Madam Speaker, it is unconscionable that Chander Grover should have had to enter a complaint against the National Research Council. It is worse that the findings of the Human Rights Commission demonstrated the discrimination at NRC had to be the subject of the strongest indictment measured against anyone in the entire country.

It is worse when another complaint has been brought before the Human Rights Commission because the National Research Council has refused to follow the directions of the Human Rights Commission.

Mr. Perron, who is the president, has refused to recognize his obligations. The minister has refused to ensure that he follow his obligations. Both should be held responsible. Mr. Perron should not be allowed to continue leading NRC and if the minister does not do his job, he should resign as well.

* * *

[*Translation*]

MANPOWER TRAINING

Mr. Jean-Pierre Blackburn (Jonquière): Madam Speaker, this is further to comments I made at the beginning of this week on manpower training.

What is the challenge facing parliamentarians after the constitutional setback? We must show Canadians that federalism is still viable. We must prove we can make changes for the benefit of Canadians, and administrative agreements are one of the ways we can do this.

The first test will be manpower training. At the conference of employment and immigration ministers in January, our colleague, the Minister of Employment and Immigration, will make it clear that it is possible to eliminate overlap and duplication in manpower training and that administrative agreements can and must be used to improve effectiveness for the benefit of users.

* * *

[*English*]

OLDER WORKERS ADJUSTMENT PROGRAM

Mrs. Coline Campbell (South West Nova): Madam Speaker, Yarmouth, Nova Scotia, had a textile mill for well over 115 years. The branch mill of Dominion Textiles closed its doors last July 31, 1991, putting 350 employees out of work. Approximately 30 people qualified for the Older Workers Adjustment Program. It was my understanding and theirs that when their unemployment ran out the older workers adjustment benefits would be in place.

We are now at the end of November, 16 months after the closure. I have written the minister and spoken to the department. The province of Nova Scotia says it sent this particular matter up months ago. Unfortunately, in order to live some of the people involved have had to go to welfare, some have had to get credit from local grocery stores and some have had to find other sources for funds.

Surely no program that is supposed to help people who have been laid off should take this long to come into force. If this is the way the program—

Madam Deputy Speaker: Your time has expired.

* * *

PAROLE

Mr. Al Johnson (Calgary North): Madam Speaker, I was relieved to hear this morning that the release of Ray Boudreau, a paedophile who has completed only two-thirds of his sentence, has been delayed while new information is assessed by the National Parole Board.

While I am pleased with this development I am disappointed in the process that seems to have prevented the Solicitor General from taking direct action to overrule the board.

The board still seems confused about the issue of serious harm. As I said yesterday, when a child is sexually molested, serious harm is done. This incident provides a good example of why we need to revise our laws related to child sexual abuse by allowing indefinite incarceration for offenders who cannot be rehabilitated. We also need much better rehabilitation programs.

I urge the Minister of Justice and the Solicitor General to take immediate action on these pressing issues.

* * *

• (1110)

ROGERS CABLE

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, I want to speak about cable rates. The council of the district of Coquitlam, soon to be the city, just passed a resolution on cable rates which states as follows: "that the council write a strong letter of protest to the CRTC regarding the proposed rate increase sought by Rogers Cable and advise them of our displeasure with this monthly 19 per cent increase in their basic monthly rate".

My constituents are angry. They are not just displeased, they are angry. This notice is what you get at your door. This tells you about the increase in your cable rate. However, what does it really tell you? It is called negative option marketing. In fact, cable rates for certain channels are going up about $2.30 and they do not tell you that you do not have to take them.

I say to the people of Canada, say no to Rogers, phone your cable people and say: "You are not going to pick our pockets. We do not have to take these rates and we do not have to take this". If you just phone and tell them you do not have take it you do not have to—

Madam Deputy Speaker: Your time has expired.

* * *

AIRLINE INDUSTRY

Mr. Scott Thorkelson (Edmonton—Strathcona): Madam Speaker, Canada's competition laws are inadequate. Our competition laws were unable to prevent the recent predation clearly going on in the airline industry where one airline tried to take over another by engaging in predatory pricing practices.

Our inadequate competition laws have cost Canadians dearly and put at risk the stability of our airline industry. The Director of the Competition Bureau has been powerless to intervene. It is too difficult to prove in a judicial setting that predatory pricing is occurring.

The law should be strengthened to lower the burden of proof. The Director of the Competition Bureau should be able to threaten companies with fines if they appear to be engaging in predatory practices.

I call upon the government to strengthen Canada's competition laws and to enhance the role of the director as an advocate of competition.

* * *

PUBLISHING INDUSTRY

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, the government in January announced new rules for reviewing foreign takeovers of Canada's book publishing companies. Canadian publishers expressed grave concern opposing any retreat from the government's objective of seeking Canadian control of both book publishing and distribution.

The government denied it had backed down under American pressure and insisted that as a condition of any foreign takeover that the net effect would be beneficial to Canada and the Canadian owned publishing industry in both cultural and industrial terms.

Recent news reports state that after three and a half years, Investment Canada is to allow the sale of Harper-Collins Canadian book distribution business to foreign interests. A letter from Michael Wilson to Rupert Murdoch's News Corporation says: "We welcome your decision to invest in Canada".

Questions need answering. Is Investment Canada to allow the sale of a Canadian company to foreigners? Is there a net benefit to Canada and the Canadian–owned publishing sector? Have Canadian publishers been told to zip their lip if they oppose this deal, that they will put $100 million in federal grant money to their industry in jeopardy? Is the government covering up yet another sell–out of Canadian culture?

Madam Deputy Speaker: I regret the time has expired.

* * *

SANTOSH SIRPAUL

Mr. Blaine A. Thacker (Lethbridge): Madam Speaker, I rise this morning to express on behalf of many members of Parliament a sincere thank you to one of our most senior and distinguished clerks, Ms. Santosh Sirpaul.

As members know, Ms. Sirpaul some years ago came alone to Canada as a young immigrant from India. She has spent her entire professional career serving all members of Parliament on many committees and bills. She worked many years as clerk to the transport committee, including the huge national transportation bill. She clerked the free trade bill and just this week completed the massive C–86, an act to amend the Immigration Act and other acts in consequence thereof.

Thank you, Ms. Sirpaul, for another task very well done.

* * *

TRADE

Mr. Jim Fulton (Skeena): Madam Speaker, the free trade deal requires an end to subsidies. This deal is supported by the Liberals, Conservatives, Reform and Bloc Quebecois.

The Royal Commission on Transportation has tabled a blueprint for full user–pay air, road, rail and ferry travel in Canada. Here is what it will do to travel in my constituency. I drive from Masset to Skidegate and pay $7 at the new road toll booth. I get on the ferry to Prince Rupert and the fare has doubled, thanks to the cancellation of the $19 million federal subsidy. I drive from Prince Rupert to Terrace and pay $11 at the new road toll booth. There is no VIA Rail any more, instead there is a passenger car once a week at the back of a freight train and it is empty. As I leave Terrace I pay $14 at the new road toll booth on the way to Smithers. At Smithers I board a plane and thanks to the new user fees, it is $300 one way to Vancouver. That is a 500 mile flight. In the Vancouver airport I notice that a 2,500 mile flight to Toronto is now only $79.

Yes, removing subsidies might give better and cheaper service between big cities, but this user pay will kill rural Canada.

* * *

PUBLIC WORKS

Mr. Maurizio Bevilacqua (York North): Madam Speaker, I rise today on behalf of one of my constituents, Mr. Harold Bliss.

Mr. Bliss has suffered a great deal both physically and psychologically as a result of his experiences as an employee of Public Works Canada.

Mr. Bliss was attacked and his attacker was found guilty of assault in provincial court. An internal investigation by Public Works Canada dealt with such issues as anti–Semitism and harassment directed at Mr. Bliss.

This assault occurred over two years ago but despite clear indications that Mr. Bliss was the victim in this affair, this case still has not been resolved. Mr. Bliss is under a great deal of physical and emotional stress and he continues to suffer as he waits in vain for settlement.

I have learned recently there has been some movement toward a resolution. I am pleased that some progress is being made but I urge the government to do all in its power to right this terrible injustice.

* * *

ETHANOL

Mr. Dave Worthy (Cariboo—Chilcotin): Madam Speaker, a recent announcement by the Minister of Energy, Mines and Resources and the Minister of Agriculture to encourage the production and use of the fuel ethanol in Canada could not have come at a better time.

In British Columbia, Dr. Laszlo Paszner has been working on his technology for converting wood waste to ethanol. Hopefully this will lead to a pilot project and, ultimately, to the full scale production of ethanol in British Columbia.

This is a good complement to the forest industry and by using wood waste to create ethanol not only do Canadians benefit from an alternative fuel source but the environment benefits from less harmful automobile emissions.

The federal government has truly shown leadership and a vision.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

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

On October 10, 1991, the Minister of Finance said that the recession ended in April 1991. Yesterday in this House the minister said that the recession is over but this time he did not give us a date on which the recession ended.

I would like to say to the Minister of Finance that for the 10,000 employees of CN Rail who are losing their jobs, the recession is not over. For the 2,000 employees of Dofasco in Hamilton who are losing their jobs, the recession is not over. For the 500 employees of Pratt and Whitney in Montreal, the recession is not over. It is just beginning.

When will the minister realize that his policy of fighting inflation at all costs is the wrong policy? When will he introduce a new set of economic policies that will create growth in Canada?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, as I said in the House yesterday or the day before, the economy has experienced five consecutive quarters of growth, modest, but not negative growth. The hon. member should recognize that.

There has been job creation. Some 64,000 new jobs have been created. There has been an improvement in the job situation in five of the last six months. Some 83,000 permanent jobs were implemented in September and October. There is an improvement in confidence. There is an improvement in departmental sales. What the hon. member is clearly overlooking—he is a world traveller and he understands global economics—is that we are really going through a major restructuring, a massive restructuring, a transition of the economy, and there are adjustments that have to be made.

What we are trying to do is implement programs and policies to facilitate that transition, to ensure that Canadians who are displaced as a result of the newly emerging economy can train and upgrade their skills so that they can take advantage of these new opportunities.

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): Madam Speaker, it is really incredible the Minister of Finance is so far removed from reality, although we understand that he may try to make a short presentation on economic policy next week in the House.

Will the Minister of Finance consider what he has refused to consider so far: starting a job creation process by inviting municipalities, provincial governments, and the federal government to invest together in the infrastructures that badly need improving in this country?

• (1120)

Does he intend to give the private sector new incentives to invest in expanding their industries and purchasing equipment, in order to create jobs?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, I agree with the hon. member that the challenges we face cannot be met by one level of government or the other. It will require the close co-operation of the federal government, the provinces, the municipalities, the private sector, the workers of this country, the unions and the learning institutions.

One of our major thrusts will be to invest in people, to invest in a strategic way in capital investments, to invest in some infrastructure in a way that would be affordable, recognizing that we have very little fiscal room, by working with the provinces and, of course, encouraging those partnerships which the hon. member suggests.

Next week we will have the opportunity to hear what the opposition parties have in mind in terms of their outline for economic policy for the future, how they would build an economic foundation for the 21st century. I will be very interested to hear what they have to offer.

Hon. Jean Chrétien (Leader of the Opposition): Madam Speaker, the minister has just said that he is ready to do something in the program of infrastructure. It is something we have been talking about for more than a year. We would not be this deep into a recession if the minister had listened to us. I will give him another little bit of advice because he seems to need a lot of it.

One of the biggest problems in our economy today is that small businesses cannot get loans from the banks. The banks are taking the savings of Canadians and buying Canadian bonds with them and they are not investing in businesses any more. The minister for small business said the government would talk to the junior clerks of the banks. That is not what we should do. The Minister of Finance should call in the banks and tell

them to lend money to the Canadians who want to invest right now to create jobs.

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Madam Speaker, I would like the Leader of the Opposition to really bring himself up to date.

I met with the senior officials of all the banks just two weeks ago and asked them to report to me on the very question that the Leader of the Opposition is speaking about because I had information confirming that credit restrictions were still very strong. I told them that they have to open up their credit still further. We are going to do our part through helping to improve the Small Businesses Loans Act, something else the Leader of the Opposition is also not aware of.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Madam Speaker, my question is for the Minister of Finance. Less than a month before Christmas, 10,000 workers at CN, 2,000 workers at Dofasco, 500 workers at Pratt and Whitney, 1,500 miners in Cape Breton, thousands of fishermen in Atlantic Canada joined 1.6 million Canadians in telling this Minister of Finance that the recession is not over.

Will the minister accept the evidence of this human misery? Will he acknowledge the depth of the recession and will he bring in a budget to fight it?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, I appreciate the hon. member's concern. He will recognize that there is hardly a sector in our economy that has not been affected, either by the slowing down of the economy or by the global slowdown, by the restructuring and transition period we are going through in adjusting and adapting to a newly emerging economy.

In his own particular area of Atlantic Canada and particularly off the coast of Newfoundland, the depletion of fish stocks is a phenomenon that has to be dealt with. Human misery and suffering are occurring there, but this government has responded.

When de Havilland was in trouble, the government sat down with the workers, with the company, with the provinces and tried to put together a plan of action. In the case of Algoma we did the same thing. We have continued to work with the various sectors and the provincial governments involved, the workers and the unions to try to deal with these particular issues. They are very difficult issues that have to be faced. The steel industry is undergoing a situation where there are massive stocks in the global market. That is a reality of life and we have to deal with it. We will work with all the interested parties in trying to deal with this very difficult and sensitive issue.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Madam Speaker, does the Minister of Finance not realize, in light of everything he has just said, that Canada's unemployed and indeed Canada's employed find it offensive when the minister continues to insist in the face of all that human misery that the recession is over?

They find it bitterly ironic that the only Canadians who have been given reassurances about job security this winter are Tory members of Parliament who have been told that there will be no election until next fall.

Will this Minister of Finance cancel his plans for a mini budget and will he bring in a major change of economic policy and begin the process of putting Canadians back to work?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, I have always acknowledged that the Canadian economy was not recovering and was weaker than we had hoped for and that we had anticipated, but so is the global economy.

There is such a thing as global interdependence. That is a fact of life. We are part of the global community. We export and we trade with many other countries. When demand is reduced in the global sense, it affects Canada. We cannot be immune from these realities.

I repeat, there has been five consecutive quarters of growth. There has been job creation. There have been indicators that show we have become more competitive. Our productivity has increased, our exports have increased and departmental sales are improving. It is a slow turnaround.

I hope that the statement I make next week will add to the confidence, the hope and the optimism that the hon. member is so anxious to receive. I hope he will be supportive of it.

Mr. Rod Murphy (Churchill): Madam Speaker, my question is for the Minister of Finance.

In answers just given, he has talked about the world global economy. That is the problem as far as he is concerned. However, in the airline industry, in VIA transportation, there are 10,000 people who will lose their jobs. Those are Canadian problems. What are the Canadian solutions?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, I do not know where the hon. member has been the last few years because what we are seeing in the airline industry is a global rationalization.

Perhaps he should consult with his transportation critic because he would find that there has been a consolidation of carriers, not only in the United States but in Europe. The consolidation and the alliance of carriers has produced economies of scale with a certain amount of job dislocation.

It is a fact of life. It is part of globalization. It is part of the keen competitiveness we are going through. It is part of the transition, adjustment and restructuring that is exacerbating the difficulties in the slowness of the economy and the hon. member should understand that. No one can be immune from global realities.

Mr. Rod Murphy (Churchill): Madam Speaker, the Minister of Finance knows that the only keen transportation competition were the buy-outs that occurred under deregulation.

We have fewer air companies now than we did when deregulation was started by the Liberals and the Conservatives. We know that. However, in the rail industry, 10,000 jobs being lost at CN alone. What is the government going to do for those workers? What is it going to do for the communities that are affected?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, is the hon. member suggesting that we should artificially inflate prices for CN, for CP, for Air Canada and for Canadian Airlines, and price ourselves right out of the world market? What kind of nonsense is that, Madam Speaker.

Mr. Howard McCurdy (Windsor—St. Clair): Madam Speaker, my question is again for the Deputy Prime Minister.

He said that exports have increased and new jobs have increased. Is it in fact true that our greatest increase in exports are the new jobs we are producing in the United States?

Take, for example, Dofasco, where 2,000 jobs are going to be eliminated while at the same time 600 jobs are going to Kentucky by virtue of state and municipal subsidies and incentives. When will the government act and what is it going to do to protect those jobs, particularly in the steel industry, where it can act?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, I cannot imagine why the hon. member would be opposed to the increase in exports that are being delivered to the United States of America.

Exports to the United States under the free trade agreement have increased by 10.5 per cent in the first nine months of this year. There has been an increase of over 16 per cent since the free trade agreement was signed.

• (1130)

Whether it is agricultural products with a 30 per cent increase, whether it is pharmaceuticals, industrial machinery, aerospace machinery, software or clothing, all of our exports to the United States have gone up and that means jobs.

* * *

[*Translation*]

INFRASTRUCTURES

Mr. Alfonso Gagliano (Saint-Léonard): Madam Speaker, my question is also directed to the Minister of Finance. The minister told us yesterday that we are no longer in a recession. Today we hear there will be 500 lay-offs at Pratt & Whitney. We also heard that the vacancy rate in the Montreal area is the lowest it has been in 30 years.

When will the minister introduce an infrastructures program to kick start the economy and create jobs for our workers who need the money? They do not even have enough to pay the rent.

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, I repeat that this country has had five consecutive quarters of growth. It is modest, but we have had five consecutive quarters of growth.

In August, the composite leading indicator was up. Growth in August was at the rate of one-half of one per cent for the month. That is a very major increase. The help wanted index is up. Employment and jobs have been created.

The hon. member wants an infrastructure program. I would appreciate knowing what kind of an infrastructure program he wants, how much money he is going to borrow or how much he is going to tax. Where is he going to get the money to get it done?

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard): Madam Speaker, we have been discussing this program since January, and if the minister had been listening, people would have been back to work.

According to the Canada Mortgage and Housing Corporation, there are 35,000 housing units vacant in the Montreal area. That many vacancies, would accommodate the entire town of Saint-Léonard. Will the minister give us the assurance that in his economic statement on December 2, he will introduce an infrastructures program, supported by the provinces, the municipalities and the federal government, so that Canadians who need work will be able to get it? Does he realize that in Montreal, unemployment in the construction industry has reached 50 per cent? Is he going to wait until it goes up to 100 per cent?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Madam Speaker, the government is very much aware of these facts. That is why it wants to concentrate on the real solutions. My colleague, the Minister of Finance, explained a number of facts which the Liberals don't seem to want to understand. Next year in the OECD countries, which are the largest industrialized countries in the world, there will be 42 million unemployed. These people are our customers, and they must be in good shape if we want to sell them our products. The government cannot act as a substitute for the real economy. It must create a climate that is favourable to job creation, the lowest possible interest rates and the lowest possible rate of inflation. That is what the government must do, and that is what we will do.

[*English*]

MINING INDUSTRY

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, my question is for the minister responsible for small business to whom I have given notice of my question. He will be aware of a very serious water situation at the Lingan colliery. There have been massive lay-offs at the failing colliery and other operations of the Cape Breton Development Corporation.

On behalf of the families of the miners of the Cape Breton Development Corporation, will the minister exercise his responsibilities and work with the Minister of Employment and Immigration to see whether or not the provisions of the advance payment system under the Unemployment Insurance Act can be utilized? This would allow those employees to secure some benefits before the Christmas holiday season.

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Madam Speaker, I thank my hon. friend for his question and advance notice.

The situation is really quite serious. The water pressure on the Lingan colliery remains very strong. It is stable and we are concerned that the failing colliery which is below it could be put at risk as well. We are monitoring this very carefully.

This morning I talked to the management, the board and also the union. They are very pleased that there are thorough briefings going on hourly between union and management. No miner has been injured. No miner is down there. They are not working today.

I would like him to know that multi-seam mining experts are coming from Europe. They are going to look at the safety of the Phalen colliery which is so important for future jobs in Cape Breton.

In terms of the immediate future for the miners, it is very important that nothing be done until it is totally safe for them to go there and therefore we have to look to unemployment insurance. They were registering yesterday and the day before. They will do so again today.

Ordinarily, they would have to wait two weeks, until the middle of December, before they could receive their unemployment insurance benefits, but I have spoken to the Minister of Employment and Immigration. He is looking to see if there is a way under the act to have an advance payment.

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, I want to thank the minister for that comprehensive answer with regard to that situation.

The minister is well aware that previous governments have made substantial investments in preparing for the opening of a new project, namely, the Donkin coal mine.

As a result of the Lingan situation, is the minister and the Government of Canada prepared to work with the province of Nova Scotia to assist Devco in getting this mine into operation, thereby securing the jobs of the individuals who work there? Will the government allow Devco, a federal Crown corporation, to honour its domestic and international commitments so that it can be known as a reliable coal supplier? Can the minister give us that undertaking?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): It is quite true that Devco's performance in the last two years has established itself very strongly as a reliable coal supplier, not just to the Nova Scotia Power Corporation but internationally. There has been good union–management co–operation. We want to see that continue.

It is premature really to talk about Donkin. We have to see whether we can save the 13 east wall in Lingan and whether the international experts can make sure that we can move into Phalen which is below it.

There is some reason for hope. Apparently the water pressure is like a hockey stick. It is going up rather than down. It could be that one could stabilize that pressure permanently and the experts will tell us that. The experts will also tell us about the future of the Phalen colliery and that is our immediate concern.

* * *

ENVIRONMENT

Mr. John Brewin (Victoria): Madam Speaker, my question is for the Minister of the Environment. As is widely known the residents in my area recently rejected proposals for municipally financed sewage treatment, the high cost being a major factor.

Victoria is not alone, as the minister knows. More than 1,000 Canadian communities dump raw sewage into our lakes, rivers and other bodies of water.

Will this government show some national leadership to clear up our waters? We will co–operate fully at all levels and on all sides of the House. This is not a partisan issue. This is an issue which is important to all Canadians.

Would the government be prepared to institute a national cost–shared program to upgrade our water and sewage treatment facilities in Canada?

Hon. Jean J. Charest (Minister of the Environment): Madam Speaker, I appreciate the fact that the member would call on the federal government to show some national leadership in this regard. In fact, on environmental issues and sustainable development issues we have done exactly that through, among other things, Canada's national green plan.

I have been made aware of the issue of sewage treatment in Victoria several times. In fact, it would be important to note that this is a matter which is raised systematically by American representatives. Two successive ambassadors representing the United States have raised this matter with me. I have also raised this matter with the Government of British Columbia several times. I understand the referendum was not successful.

We are having discussions now with the Government of British Columbia. At the end of the day, however, I think the member will also accept that on issues of infrastructure we usually recognize that municipal governments and provincial governments are responsible first in that area. That is also consistent with the polluter–pay principle that this government has adopted.

Mr. John Brewin (Victoria): Madam Speaker, as the minister knows, the capital regional district and the people of Victoria have contributed an enormous amount to cleaning up many of the problems in the area. The provincial government has been prepared to put up money. The federal government put up nearly $200 million for sewage treatment in Halifax. It would assist enormously if the government would be prepared to come along with a national program and contribute to cleaning up this most important waterway.

• (1140)

I ask the government again: Will it give some leadership in job creation in cleaning up the environment and cleaning up our international reputation by taking action in this important matter?

Hon. Jean J. Charest (Minister of the Environment): Madam Speaker, I understand there are ongoing discussions with the government of British Columbia on this matter. We intend to pursue this matter with it. I want to remind the hon. member that from time to time there has been federal participation in certain projects of this nature, but it is the exception rather than the rule.

From an environmental point of view, it is also important to recognize that whatever the issue may be it is the people involved, the people who are in that area who are first and foremost responsible for these types of activities. That is certainly the premise upon which we are operating as we enter into these discussions.

* * *

AIRLINE INDUSTRY

Mr. John Manley (Ottawa South): Madam Speaker, yesterday I asked the Minister of Transport if, as a condition for the $50 million of financial assistance given to Canadian Airlines, the government had sought from Canadian Airlines a promise that it would not ask for any further financial assistance. The record will show that the minister failed to answer that question.

I would like to ask the government one more time: Has the government forced PWA to promise that no proposal will be put forward which demands financial support from the federal government following completion of the transaction?

Hon. Shirley Martin (Minister of State (Transport)): Madam Speaker, as the minister responded to that question yesterday, we are doing everything we can to assist PWA to come to a solution for its problems. We will continue to work with it as is necessary.

Mr. John Manley (Ottawa South): Madam Speaker, next Tuesday the employees of Canadian Airlines International begin to contribute from their own pay cheques in the hope and belief that their government has a two airline policy.

Is it not the case that what the government sought and obtained for its $50 million is a gag order on PWA Corporation?

Hon. Shirley Martin (Minister of State (Transport)): Madam Speaker, the employees certainly have worked very hard in order to help their company survive. This is something that is important to the future of Canada as companies and employees work together. Their contribution toward keeping up survival of the airline is very important and our help toward the airline is also intended to help them survive.

* * *

GOVERNMENT CONTRACTS

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, my question is for the President of the Treasury Board in the absence of the Minister of National Health and Welfare.

The Auditor General has accused the Department of National Health and Welfare of contract splitting in which $5 million worth of contracts were awarded "with repeated disregard for the control and safeguard of public funds".

Quite apart from any other investigation, what is the President of the Treasury Board doing to restore confidence in the government tendering process?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): I would like to tell the hon. member that the case to which he is referring is under investigation. I would rather not comment at this time.

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, I know about the criminal investigation. That is not what I was asking. I was asking what this minister was doing.

[*Translation*]

This is the second time in four days that departments are caught circumventing Treasury Board's contract regulations. Why are contracts awarded without tender? Why are contracts shared? Why are bills paid before the work is finished? Why?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Madam Speaker, the government has some very specific rules, and I must say the vast majority of managers abide by those rules. The

government manages a budget of several hundred billion dollars, and the hon. member is talking about mistakes involving two or three million dollars. Incidentally, these cases are now being investigated.

* * *

[*English*]

AIRPORTS

Mr. David Bjornson (Selkirk—Red River): Madam Speaker, I would like to direct a question to the Minister of Transport.

The House knows the leasing arrangements between the Department of Transport and the small tenants at Canadian airports across Canada are archaic and unfair, and I believe border on the edge of theft.

I know the minister, along with myself, has received a number of requests to have these leasing arrangements brought forward and changed so that there would be a true business-like arrangement.

Maybe the minister could tell me if anything has been done to re-evaluate these leasing arrangements.

Hon. Shirley Martin (Minister of State (Transport)): Madam Speaker, I thank the member for his interest in this topic. I know he has been working on it, as has the member for Regina—Wascana.

I am pleased to say that as a result of some new factors represented primarily by the recently enacted Federal Real Property Act, the department is currently finalizing proposals for my consideration. A draft paper will be available by the end of the year. It will go out to all interested parties. We will then be able to sit down and get their input and I am sure we will be able to solve this problem.

* * *

SEARCH AND RESCUE

Mr. Jim Fulton (Skeena): Madam Speaker, my question is for the Minister of State for Transport.

The Auditor General reported on search and rescue in Canada this past week and concluded there was a political opportunity to eliminate all search and rescue patrol vessels because they only save people 20 per cent of the time.

There is a very real danger in having bean counters from Ottawa making policy recommendations on the availability of life saving vehicles.

Does the minister support the Auditor General's analysis and the Coast Guard agreement to recommendation 8.57 to "decommission all search and rescue patrol vessels and discontinue all search and rescue patrols"?

Hon. Shirley Martin (Minister of State (Transport)): I am really surprised, Madam Speaker. One day opposition members are accusing us of discrediting the Auditor General and the next day they are saying the Auditor General has made a mistake in this particular recommendation. They cannot have it both ways.

As far as this particular issue is concerned it is a recommendation that has been brought forward, but what is first and foremost with this government is to ensure there is safety when it comes to search and rescue.

Mr. Jim Fulton (Skeena): Madam Speaker, I have a supplementary question. On the northern B.C. coast we have two type 500 cutters, a couple of smaller craft and an F-61 helicopter, all Coast Guard. We have no Department of National Defence vessels or aircraft based north of Vancouver Island.

Will the minister assure the House that before any of our Pacific coast Coast Guard vessels or helicopters are cut from service in any way there will be full formal public consultation with all users in Prince Rupert, in Kitimat, on the Queen Charlotte islands, and in the coastal communities that are affected?

Hon. Shirley Martin (Minister of State (Transport)): It would be rather nice, Madam Speaker, if we had more helicopters that we could use on search and rescue.

Mr. Bosley: In his riding.

Mrs. Martin: Yes, as my colleague says, in the hon. member's riding.

Certainly we are very conscious of the need for search and rescue on the B.C. coast. We have always been conscious of that within the Coast Guard, and they do an excellent job on the west coast.

* * *

FUR INDUSTRY

Mrs. Ethel Blondin-Andrew (Western Arctic): Madam Speaker, my question is for the Minister of Indian Affairs and Northern Development.

Callous, uncaring and insensitive mostly foreign financed animal rights campaigns have unfairly targeted what is left of the sealing and trapping livelihood of the Inuit peoples and the people of Newfoundland.

Is the minister prepared to protect the livelihood of these people by launching a counter ad campaign? Will he give financial support to the Indigenous Survival International to provide a public voice for aboriginal people to defend themselves?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Madam Speaker, since 1987 the federal government has supported the fur strategy and Indigenous Survival International had been supported, as well as the Aboriginal Trappers Federation in Canada.

We have recently agreed to extend and renew the fur strategy. We are very conscious of the pending moratorium in 1995 in the European Community for countries that have not adopted humane trapping methods.

Trap research and the education of the Canadian trapping community as to how we would comply with these regulations are all devoted to encouraging an increase in opportunities for the marketing of furs, particularly those produced by indigenous peoples, in the European Community. I will be happy to learn of additional proposals such as the one the hon. member has advanced today.

• (1150)

Mrs. Ethel Blondin–Andrew (Western Arctic): Madam Speaker, my supplementary question is for the Minister for International Trade. This has clearly become an international trade issue.

A full year has passed since the European Community passed its fur input regulation in November 1991. For Canadian wild fur exporters to meet the European Community's import requirements which come into effect in 1995, Canadian wildlife regulations must be in place before the 1994 fall trapping season begins.

Will the minister commit to renewed funding for the Fur Industry Defence Program so that Canada can remain in the forefront of international trapping research and technology?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Madam Speaker, the Minister for International Trade was present a week ago at a meeting attended by ministers and some members of Parliament with representatives of the Canadian trapping industry, fur processing industry and exporters.

The minister is very well aware of the request the hon. member has made. As part of the federal government's fur strategy, all departments are looking at their financial resources with a view to ensuring that Canada is prepared to comply with those regulations. The Canadian fur industry will be the major beneficiary of our preparation to market furs trapped by humane methods.

* * *

VICTIMS OF CRIME

Mr. David Kilgour (Edmonton Southeast): Madam Speaker, the Canadian Resource Centre for Victims of Crime held a press conference this week in this building.

Will the Minister of Justice, in the absence of the Solicitor General, tell the House why rank and file police officers across Canada have to fund this centre at $150,000 a year rather than governments? We are now spending about $6 billion a year on the criminal justice system.

While she is doing so, will she tell the House why the victims of violent crime, very often women and children, are the truly forgotten people in our criminal justice system?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, with regard to the hon. member's question about the funding of that particular centre, I am not in a position to answer it and will take it on notice for my colleague the Solicitor General.

However, the hon. member knows well that this government introduced legislation precisely to enhance the status of victims of crime in the trial procedure. My colleague, the Solicitor General, has recently brought in legislation to enhance the rights of victims of crime in the parole procedure.

I think this government has nothing to apologize for in our efforts to balance the process of criminal justice to make sure the interests of those who are the victims, and therefore the *raison d'être* for the trial and incarceration, are not forgotten in the process but are remembered as

being those who bear with them forever the burden of those offences.

Mr. David Kilgour (Edmonton Southeast): Madam Speaker, I wish the minister would go out and talk to her constituents. I think she would find that in the lower mainland of B.C. the fear of crime is now the major public issue in that part of Canada. It certainly is in Alberta as a result of some moronic decisions by the parole board and correction officials.

Mr. Hawkes: Question.

Mr. Kilgour: The new head of the victims centre told the press conference that the Government of Canada in its statement of defence to an action filed by parents of one of Mr. Gingras' murdered victims said that it had no duty of care to the victims.

Mr. Hawkes: Question.

Mr. Kilgour: The Whip, Madam Speaker—

Mr. Prud'homme: You are making them nervous. You are annoying the system.

Madam Deputy Speaker: Will the hon. member please put his question.

Mr. Kilgour: Does the Minister of Justice think that the parole board, the correction service, has a duty of care to the parents of murder victims when offenders are pre-released?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, I think that question is an inappropriate one.

Mrs. Campbell (South West Nova): Why? One of your own colleagues asked the same question.

Ms. Campbell (Vancouver Centre): That hon. member is a lawyer and she should know better as well.

I am sure my colleague, the Solicitor General, will be pleased to address the questions of the hon. member on the workings of those bodies. As to whether there is a duty of care or a legal liability, that is a matter before the courts and not something that I as Minister of Justice would comment on. It would be in fact an abuse of my position to do so.

KEMANO PROJECT

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Madam Speaker, my question is for the Minister of the Environment.

Recently released Fisheries and Oceans memos and letters point to political interference within the Department of Fisheries and Oceans over its decision to allow the controversial Alcan Kemano project to proceed without an environmental review.

The RCMP in British Columbia is now investigating the allegations in one of the memos that expert witness testimony was changed under pressure from supervisors within that department.

I have provided the government with copies of these documents. Will the minister speak to his colleague, the Minister of Fisheries and Oceans, and release the over 83,000 pages of information that are in the files of this department on this particular issue? Will he do that so the truth can come out about this particular issue?

Hon. Jean J. Charest (Minister of the Environment): Madam Speaker, the member is asking me to convey a question to my colleague, the Minister of Fisheries and Oceans. I will be happy to do that.

He said he has conveyed the information to the government. I have not received information to that effect, but I will be happy to convey the question to him as he has requested.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Madam Speaker, I think it is pretty clear to people, certainly in northern British Columbia, that this government's failure to conduct a proper environmental assessment of the Kemano project makes a mockery of this government and this minister's so-called commitment to the environment under the green plan.

The Liberals opposed a public review of this project, and despite the Prime Minister's earlier promise of a review the government has done everything it can to block such an inquiry.

The B.C. government and the B.C. environment minister are currently reviewing its options for a public review of the project. Will the minister join today with the B.C. Minister of the Environment and announce a

joint federal-provincial environmental assessment of this project?

Hon. Jean J. Charest (Minister of the Environment): Madam Speaker, the member refers to the existence of the green plan. The project he is referring to if I remember correctly—I do not have the file in front of me—started in the 1950s. The green plan started two years ago. I would be cautious in trying to make any link between them.

As the member will remember and you will recall, Madam Speaker, there was some court action on the issue of whether there should be an environmental assessment done through this project. The Federal Court of Appeals has recently rendered a decision to the effect that the legal requirements have been met in terms of the government's responsibilities.

The Government of British Columbia, I understand, has made some commitment during the provincial campaign that it would do a review. I imagine that it will be rendering a response on its own commitment soon.

* * *

[*Translation*]

PUBLIC SERVICE

Mr. Gilles Rocheleau (Hull—Aylmer): Madam Speaker, my question is for the Minister of Finance. Over the past year, the national capital region has lost hundreds of public servants, especially with the move of the National Energy Board to Calgary and the Farm Credit Corporation to Regina, in western Canada, and the opposition parties in this House concurred in this.

Recently we learned that the Minister of Finance would move some 200 federal public servants from the department of immigration to his home town, in order to restore his image and plummeting credibility—

Madam Deputy Speaker: Would the hon. member put his question?

Mr. Rocheleau: —with western voters.

Madam Speaker, my question is this: I ask the minister to account to the people and explain to the House on what rational economic basis this patronage decision was made by the government, given the huge costs involved in such moves.

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Madam Speaker, since it is a specific question concerning immigration, I would reassure our colleague and assure the House that the decision was made in the context of Bill C-86, where we decided to make management more efficient. This decision will save us $6.5 million a year and improve the efficiency of our processing.

• (1200)

Would the member object to our developing small towns in Canada?

* * *

[*English*]

CANADIAN COAST GUARD

Mr. Jim Jordan (Leeds—Grenville): Madam Speaker, my question is for the Minister of State for Transport.

In spite of assurances given to me in the House on June 12, the work force of the Canadian Coast Guard in Prescott has been reduced approximately 20 per cent. That is 20 per cent of the work force of the biggest employer in Prescott.

Can the minister assure me that there will be no further cuts or transfers in such areas as the shops, the helicopter services and all those other services working for the Coast Guard out of the town of Prescott, and can the remaining employees at Prescott feel that their jobs are now secure?

Hon. Shirley Martin (Minister of State (Transport)): Madam Speaker, there have been changes made at Prescott and there has been a lot of discussion with the employees there.

I can assure the hon. member that at the current time there are no plans to remove the manufacturing or the maintenance facility at Prescott.

* * *

PRIVATE MEMBERS' BUSINESS

Mr. Scott Thorkelson (Edmonton—Strathcona): Madam Speaker, my question is for the government House leader.

In the last throne speech the government promised to increase the time allotted to Private Members' Business. It also promised to increase the number of votable items allowed. Other than confirming recommendations already in place which were put forward by the privileges

and elections committee and tinkering with the draw system, nothing has happened.

Will the government bring forward these reforms?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, as the hon. member knows, virtually the first thing the Prime Minister did after the election in 1984 was appoint the McGrath commission, which brought forward extensive recommendations for changes, most of which have been implemented.

In my first 12 years in opposition there was only one private member's bill ever passed. Since 1984 there have been private members' bills passed on numerous occasions.

Committees have the right to set their own references which they never had prior to 1984. They have extensive budgets. The amount of authority given to private members to pursue interests on behalf of their constituents is orders of magnitude more than it used to be. Of course we are always looking for ways to improve things even further.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, pursuant to section 36(8) of the Standing Orders, I have the honour to table, in both official languages, the government's response to seven petitions.

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

* * *

[*Translation*]

INTERNATIONAL ASSEMBLY OF FRENCH-SPEAKING PARLIAMENTARIANS

TABLING OF REPORT OF ACTIVITIES OF CANADIAN SECTION

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, pursuant to Standing Order 34, I have the honour to table in the House, in both official languages, the report on the activities of the Canadian Section of the International Assembly of French-Speaking Parliamentarians at the meeting of the board co-ordinating the PARDOC project, held in Paris on October 29, 30 and 31, 1992.

* * *

[*English*]

HOUSE MANAGEMENT

55TH REPORT OF STANDING COMMITTEE

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I have the honour to present the 55th report of the Standing Committee on House Management.

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

56TH REPORT OF STANDING COMMITTEE

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, at the risk of repeating myself, I have the honour to present the 56th report of the Standing Committee on House Management.

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

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

* * *

CANADIAN ENVIRONMENTAL PROTECTION ACT

MEASURE TO AMEND

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap) moved for leave to introduce Bill C-379, an act to amend the Canadian Environmental Protection Act (phosphorus concentrations in laundry detergents).

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. MacWilliam: Madam Speaker, among the most serious causes of pollution are laundry detergents containing high levels of phosphate. Most of the detergents sold in Canada are used in the home and detergent rich sewage is a major source of phosphate pollution in our lakes and rivers.

The Canadian Environmental Protection Act currently sets the maximum phosphorus content of laundry detergents sold in Canada at 5 per cent expressed as phosphorus pentoxide or 2.2 per cent expressed elemental phosphorus. This level, which is set by cabinet and not laid out in the legislation, is too high and must be reduced.

My private member's bill amends the Canadian Environmental Protection Act and dramatically lowers limits for phosphate content currently in place.

Based on similar legislation in the state of Ohio, the bill would prohibit the sale of laundry detergents whose phosphate content exceeds 1.14 per cent by weight expressed as phosphorus pentoxide or 0.5 per cent by weight expressed as elemental phosphorus.

The bill is a major step toward the preservation of our fragile environment through the reduction and eventual elimination of excess phosphorus from our inland and coastal waters.

Madam Deputy Speaker: Mr. MacWilliam moves that the bill be now read the first time and printed.

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

Bill read the first time and printed.

* * *

HOUSE MANAGEMENT

CONCURRENCE IN 55TH REPORT OF STANDING COMMITTEE

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, if the House gives its consent, I move, seconded by the hon. member for Calgary West, that the 55th report of the Standing Committee on House Management presented to the House earlier this day be concurred in.

Motion agreed to.

CONCURRENCE IN 56TH REPORT OF THE STANDING COMMITTEE

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, if the House gives its consent, I move, seconded by the hon. member for Calgary West, that the 56th report of the Standing Committee on House Management presented to the House earlier this day be concurred in.

Motion agreed to.

• (1210)

55TH AND 56TH REPORTS OF STANDING COMMITTEE

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I would move:

That, in relation to the 55th and 56th reports on the Standing Committee on House Management presented to the House and concurred in earlier this day, and not withstanding any special or Standing Order of the practice of the House or its standing or standing joint committee, the incumbent chairmen and vice-chairmen of the standing and standing joint committees, except for the Standing Committee on Transport, shall continue in office until the committee concerned shall otherwise order;

Provided that those standing or standing joint committees whose chairmen or vice-chairmen cease to be members of the committee as a result of the concurrence in the said report, shall proceed to the election of a new chairman as their first order of business and such vice-chairmen as the committee deems necessary.

Motion agreed to.

* * *

PETITIONS

PROUD TO BE CANADIAN

Mr. Ken James (Sarnia—Lambton): Madam Speaker, I rise today to present a petition signed by the members of the Kinsmen and the Kinettes Clubs of Sarnia. This petition has been certified correct in form and content by the clerk of petitions.

These constituents give their support for the Proud to be Canadian project. This project is a worthwhile opportunity to nurture a positive lifelong relationship for their heritage and our flag and to encourage stronger ties among all Canadians for the further advancement of Canada as a leader in world circles and to promote pride in being Canadian.

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, I have a petition here to promote pride in being Canadian signed by individuals from communities in Glace Bay Reserve, Dominion, Donkin and throughout Sydney River, Sydney and other parts of Cape Breton.

The Kinsmen and Kinettes Clubs of Canada have created an opportunity for all Canadians to participate in the Proud to be Canadian project during the celebration of the 125th anniversary of Confederation.

The petitioners hereby support the Proud to be Canadian project as an opportunity to nurture a positive lifelong relationship with our heritage and our flag, to encourage stronger ties among all Canadians for the further advancement of Canada as a leader in world circles and to promote our tremendous pride in being Canadians.

AIRPORTS

Mr. Al Johnson (Calgary North): Madam Speaker, I am pleased to present a number of copies of a petition this morning from citizens in my constituency who are concerned that the Department of Transport may amend its present airport policy which has insulated the citizens of Calgary North from the noise generated by the airports since 1986.

They therefore petition and request that Parliament urge the Department of Transport to maintain the present airport policy regarding run number 28 which requires that all departing flights make a 15 degree turn to the north.

I might add that I am aware that the department has been working actively on this file and that the solution to the problem is near.

THE CRIMINAL CODE

Mr. John Brewin (Victoria): Madam Speaker, I have four sets of petitions from my constituents and others to present to Parliament, pursuant to Standing Order 36.

The first set is a request that Parliament amend or remove from the Criminal Code section 462.2 so that the freedom of Canadians to discuss and consider the possible beneficial uses of hemp and other substances is in no way inhibited or prevented by the provisions of the code.

BILL C-55

Mr. John Brewin (Victoria): Madam Speaker, the second set of petitions deals with an issue that was in one form before Parliament earlier; namely, the question of the pension credits splitting for the divorce spouses of federal employees of various kinds.

Some of the issues that the petitioners were concerned about were not fully dealt with in Bill C-55. This petition is therefore helpful and relevant to the House.

THE REFERENDUM

Mr. John Brewin (Victoria): Madam Speaker, finally I have a set of petitions which is dated but this is the first opportunity I have had to present it to the House. It deals with the infamous referendum.

CHILD POVERTY

Mr. Mac Harb (Ottawa Centre): Madam Speaker, poverty among children inhibits learning and preparation for employment constituting a cost to future national productivity. That is why we need sound national financial management that prevents poverty.

I join with my constituents today in introducing this petition in the House of Commons, calling on the government to reaffirm its commitment to seek the elimination of child poverty by the year 2000.

NORTH THOMPSON RIVER

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, I have a number of petitions again to present. These petitions come from individuals throughout my riding. In looking through some of the petitions there are signatories all the way from Victoria to Edmonton, Calgary and Red Deer.

These petitioners are very concerned about the proposal by Multinational Resources Limited to divert a portion of the flow of the North Thompson River and to export that water out of Canada and into the California market. They have asked the government to state categorically that it will not permit Canada's freshwater rivers to be dammed and diverted into the U.S.A. and to state that our Canadian waters are not for sale.

HUMAN RIGHTS

Mrs. Beryl Gaffney (Nepean): Madam Speaker, I have two sets of petitions to present. One is backdated to June and this is the first opportunity to present it. It is signed by 100 persons from the Nepean–Ottawa area.

They are indicating their concern for the human rights of all people in the world which cannot be ignored. The

carnage continues, they say, in the Punjab, in China and in many other areas of the world.

These petitioners urge the Government of Canada to express its disapproval to the Indian government of the continuing human rights violations in the Punjab.

The second petition is of a similar nature. The petitioners feel that Kashmiri people have a consistent pattern under India's illegal occupation.

The petitioners humbly pray and call upon Parliament to condemn the crimes against humanity in Jammu and the Kashmir and demand that the Red Cross be given access to those two provinces to provide the badly needed food and medicine that they require.

CRTC

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, these petitioners want the Parliament of Canada to ensure that the CRTC controls the use of foul and inappropriate language on radio and television. They believe that some of the things that are broadcast on radio and television really counteract the efforts of the family and they point out that foul language is not necessary to entertain.

The petitioners are also very insightful because they underline that the use of certain language is a form of abuse and there is additional need to be sensitive in our society today with regard to abuse in general.

GOODS AND SERVICES TAX

Mr. Ronald J. Duhamel (St. Boniface): I have some other petitioners who ask how one increases competitiveness, productivity, and how one ensures that more people are involved in the democratic process. They point out that by removing the goods and services tax on books and reading materials we would increase additional literacy, additional productivity, additional competitiveness.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk)

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, in keeping with my undertaking to the hon. member for Comox—Alberni, Question No. 284 will be answered today.

[*Text*]

Question No. 284—**Mr. Skelly:**

With respect to Resolution No. 1992–45 adopted by the United Nations Commission on Human Rights on March 3, 1992 concerning the International Year for the World's Indigenous Peoples (*a*) what activities does the government intend to undertake for this Year (*b*) what consultations have taken place with indigenous peoples and non–governmental organizations working with indigenous peoples regarding the activities during this Year (*c*) who is co–ordinating the activities and (i) what is the process being used for consulting with indigenous peoples (ii) how are the activities being funded (*d*) has the government provided financial or other resources to assist the work of the United Nations for this Year and/or has it seconded any staff for this purpose?

Hon. Barbara McDougall (Secretary of State for External Affairs): Insofar as External Affairs and International Trade Canada is concerned, the reply is as follows:

(a) The department is responsible for negotiating a UN resolution on the International Year at the 47th session of the United Nations General Assembly; it will participate actively in the ceremonies of the Proclamation Day; through its active participation in certain provisions of the resolution, it will promote the achievement of the objectives of the international year and encourage other governments to do the same, it will promote an active communications plan designed to share with other countries, activities and programs in Canada to highlight the international year; embassies, posters celebrating the international year will be sent to all posts abroad to draw attention to the international year and officials will be briefed on the activities in order to encourage others to follow the provisions of the resolution in the United Nations.

(b) The subject of the international year has been on the agenda of almost every formal and informal consultation between the aboriginal peoples of Canada and the International Organizations Bureau (Department Co–ordinator of International Aboriginal Affairs). Non–government organizations have been included in some of these consultations and otherwise have been included in the consideration of this matter in the annual consultation.

The international NGO community as well as foreign and other indigenous groups involved in international

affairs have been consulted in the formulation of successive resolutions on the International Year.

(c) (i) The Department of External Affairs co-ordinates all pertinent activities outside of Canada (see b. above).

(ii) From within internal resources.

d) Financial assistance is under consideration. No staff has been seconded for this purpose.

* * *

[*English*]

QUESTIONS PASSED AS ORDERS FOR RETURN

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, if Questions Nos. 304 and 369 could be made Orders for Return, these returns would be tabled immediately.

Madam Deputy Speaker: Is it the pleasure of the House that Questions Nos. 304 and 369 be deemed to have been made orders for return?

Some hon. Members: Agreed.

[*Text*]

Question No. 304—**Mr. Marchi:**

For (*a*) the period of November and December 1988 (*b*) 1989 (*c*) 1990 (*d*) 1991 (*e*) 1992 to date, have any departments or agencies spent money or provided grants in the constituency of York West and, if so, in each case (i) by which department or agency (ii) in what amounts (iii) under which categories and programs was the money spent?

Return tabled.

Question No. 369—**Mr. Robinson:**

For each year since November 1988, have any departments or agencies spent money or provided grants in the constituency of Burnaby–Kingsway and, if so, (*a*) by which department or agency (*b*) in what amounts (*c*) under which categories and programs was the money spent?

Return tabled.

[*English*]

Madam Deputy Speaker: The questions as enumerated by the parliamentary secretary have been answered.

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

Madam Deputy Speaker: Shall the remaining questions stand?

Some hon. members: Agreed.

Mr. Dingwall: Madam Speaker, I wonder if the parliamentary secretary who gave an undertaking yesterday to confer with the Minister of Multiculturalism and Citizenship would be in a position to provide an answer today as to when the minister will live up to the provisions of the Standing Order and submit a comprehensive report after the standing committee had given the minister a number of days to prepare. The parliamentary secretary was kind enough yesterday to suggest that he would get back to the House as soon as possible. A reasonable period of time has now elapsed and I wonder if he could provide us with an answer today.

• (1220)

Mr. Edwards: Madam Speaker, I appreciate the assiduousness and the application to duty of my hon. friend.

I did have an opportunity to have a chat with the Minister of Multiculturalism and Citizenship and I am informed that he has been in communication with the Clerk of the House in connection with the response to the report. I am prepared to table his letter to the Clerk, if that would be helpful. The gist of the response is that the minister says:

"Let me first emphasize that the government recognizes its duty to respond to this report and certainly shares the committee's objectives. However, as you know, any response must be approved by cabinet and during the referendum period no cabinet committee meetings were held. We have, therefore, been faced with an unavoidable timing problem.

You have my assurances that a response to the standing committee's report will be tabled in the House of Commons as expeditiously as possible.

Thank you for your co-operation in this regard."

Further to that, the minister has been in touch with the chairman of the Standing Committee on Human Rights and the Status of Disabled Persons, the hon. member for Oxford, and has indicated further that the cabinet committee which was seized of the matter, the cabinet committee on human resources, social and legal affairs, held a meeting on November 23. While the response was on the agenda to be dealt with, it was unfortunately deferred to the committee's next meeting

which is currently scheduled for Monday next, November 30.

The minister assures me, and I am sure he would want to assure the hon. member opposite, that he is doing his utmost to get the response into the House. I believe that there may be two cabinet committees that need to deal with the response. I can assure my hon. friend that my commitment remains intact; I will stay seized of this brief and report to him on a regular basis, as I am sure he would like to have happen.

Mr. Dingwall: Madam Speaker, I am overwhelmed both by the eloquence and by the comments of the parliamentary secretary. I hope that he will table the letter which he has referred to so that members can see what the minister has written, if he would be kind enough to do that.

However, I still give notice to the Chair that this is a procedure which is very unusual, and to forewarn the Chair that there may be members rising on a point of privilege in due course to debate this.

Mr. Edwards: Madam Speaker, I am happy to table the two letters involved. I would counsel my hon. friend opposite to contain his vessel because the response will be forthcoming.

GOVERNMENT ORDERS

[*Translation*]

PUBLIC SERVICE REFORM ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Loiselle that Bill C-26, an act to amend the Public Service Employment Act, the Public Service Staff Relations Act and other acts in relation to the Public Service of Canada, be now read a third time.

Madam Deputy Speaker: We resume debate. The hon. member for Carleton—Gloucester has nine minutes left to complete his speech.

[*English*]

Mr. Eugène Bellemare (Carleton—Gloucester): Madam Speaker, I would like to conclude my speech on Bill C-26 by noting the words of Barbara Wade Carroll, a professor at McMaster University and an expert in the field of public administration. She states:

> It is a clear tenet of organizational theory and management that the way to achieve organizational changes is by changing it not from the top but at the top; yet, neither Public Service 2000 nor Bill C-26 addressed the need for such change except to the degree to which they provide two central agencies, the Treasury Board and the Privy Council Office with greater control over departments.

[*Translation*]

The best example given by the government of this tops-down approach to change is its contemptuous attitude to the legislative process during the consideration of this bill. On many occasions, the Conservative majority on the legislative committee imposed unrealistic time limits for the consideration of clauses and amendments proposed by the opposition. This combined with the many time limits imposed in the House by the government, turned the debate into a joke. One might even say that this so-called democratic debate turned into a cynical monologue on the part of the Conservatives.

In spite of the marked opposition to Bill C-26 displayed by the vast majority of the 18 witnesses that appeared before the legislative committee, and in spite of the 85 amendments tabled by the Liberal Party, the government thought it better to shut its eyes and its ears and go ahead with this shameful legislation. I must conclude that the Conservative members did not have the courage to face their conscience. This is unfortunate because if the government had shown a better attitude and had taken this bill a little more seriously, we could have restructured our public service in a positive fashion, so that it would have been able to face the great challenges ahead. We need a Liberal government for this change, which everybody has been anxiously waiting for.

[*English*]

Mr. John Brewin (Victoria): Madam Speaker, it gives me great pleasure to speak to Bill C-26 on behalf of our party, and in particular in the place of the member for Mission—Coquitlam who is unavoidably absent today. She wished she could have been here. She has fought a strong and good fight on this bill since it was first introduced and will be here to see it through at the end.

I am also pleased to rise because in my constituency and area of Victoria, perhaps to the surprise of many, even in Victoria, the federal government is the largest single employer. We are a provincial capital, yet the federal government number of employees is larger than that employed by the provincial government in Victoria and of any other employer in the area.

Bill C-26 purports to deal with the needs and requirements of the Public Service. It is a long bill, 108 clauses, and it amends the Public Service Employment Act, the Public Service Staff Relations Act, and other acts in relation to the Public Service of Canada.

The bill purports to implement Public Service 2000, a project which was born of the desire to improve the efficiency and operations of the federal Public Service. The project began with high hopes. There was widespread agreement that it was important to try to improve the workings and operation of the Public Service of this country, notwithstanding the fact that we all agree that Canada has an excellent Public Service.

However there were problems, problems of morale, problems of hardening of the arteries in management style and management approaches, a glass ceiling for too many women in the Public Service, a reluctance of public service managers to effectively manage.

• (1230)

Unfortunately the process that has lead to this bill has gone askew. The result is a setback for the objective of efficiency in our Public Service. It is important to understand that this bill is developed in the context of a government that has been seeking as a matter of public policy to destroy the Public Service. Certainly the government must be assumed to intend the consequences of its acts, and the consequences of its administration of the Public Service is sad to behold.

We saw the Public Service strike. We saw the refusal to proceed and the continuing refusal to proceed with pay equity. Most important, we see continuing cutbacks in vital public services that put real pressure on those who are in the front lines of public service in this country.

All of us as members of Parliament deal with federal public servants in our area, and those public servants for most of us are invariably women and men of quality and dedication. Those of us who were just elected in 1988 have seen in just that short period of time the continuing deterioration of public service morale, ultimately at the expense of public service to the people of Canada.

We see that as a deliberate move of this government, capped just the other day by the totally cynical move of putting the new immigration facility as far away from the centres of population as it could find, Vegreville, Alberta, the home of the Deputy Prime Minister. It is the grotesque pork barrel and a final nail into any conceivable reputation this government had for its caring for the public servants in this country.

Instead of dealing with the puffed up bureaucracy in the Department of National Defence and the visions of grandeur that they have had for helicopters and other equipment, totally outdated already as a result of the end of the cold war, we see the government trying to save money on the backs of the public servants. Even at the upper levels, the government has gone after civil servants rather than take the heat itself for decisions for which it ought to be responsible.

A close examination of this bill reveals the fundamental fact that this government knows nothing about labour relations. It has no concept of the proper approach as an employer, particularly in a large institution such as the Public Service of Canada, to bringing out the best in its public servants, getting the most efficient return for the dollar spent because of a good management style in labour relations.

Just a few weeks ago, the International Labour Organization responded to complaints made by our public sector unions about the collective bargaining tactics of the government. The ILO recommended that this government stop its use of back to work legislation and implement a collective bargaining structure that more closely follows the norm in the private sector.

I submit that this bill, just as the back to work legislation of a year ago, finds the government incapable of understanding the distinction between its responsibilities as an employer and its responsibilities to introduce legislation in this House on behalf of all of the people of Canada.

What it has done is give to itself through its majority in this House, as manager, tools which no other unionized employer in the public or private sector in this country has available. Those tools will be used, mark my words, by managers in the Public Service to discriminate against fellow workers, to undermine public efficiency and to destroy morale in the Public Service of Canada further.

Let us just look at the key provisions of this bill. First, the bill will give Treasury Board the authority to determine bargaining units unilaterally. Everywhere else an employer who wishes to propose a change in bargaining units has to go to a labour relations board or some other similar body. An independent third party responsible to the legislature or to Parliament for the fair and proper administration of labour relations is given the responsibility to decide, not the employer, on what are the appropriate bargaining units. This bill violates that simple principle.

Second, the bill gives to Treasury Board the unilateral power to define classification, an absolutely unheard of right in any other sector and one which will undermine the continuing morale problems in the Public Service.

Third, the bill gives to managers the right to deploy, or to transfer more precisely at the discretion of the managers, employees at the same level. This has a facile attractiveness, particularly to any business manager who wants to be able to pick and choose who she or he wishes to move around. In any large institution there must be a scheme that ensures merit is at the heart of the principle of shifts and moves, and further that employees have an opportunity through the collective bargaining process to have some say in the classification system that affects them, in particular the system of transference within their work place.

Transfer within the work place is of vital importance to the individuals involved. It affects promotion. It affects a sense of well-being in the work place that is crucial for an efficient employee. This bill opens up the door to managers having the unguarded right to move their favourites into jobs at the expense of those who are best qualified for those jobs, and this can be done without review.

Hugh Winsor in *The Globe and Mail* earlier this year said that this clause "opens a loophole that will give civil service managers a major new opportunity to play favourites and dispense their own form of patronage". If for some reason they are not fans of Mr. Winsor, how about John Edwards, head of the Public Service 2000 exercise, who said: "Bill C-26 gives managers the authority to appoint and bypass the system"?

Representatives from the vast majority of workers appeared before the committee and condemned this addition as an attack on the merit principle in the Public Service of Canada. Those included the Public Service Alliance of Canada, the Professional Institute of the Public Service and the Economists, Sociologists and Statisticians Association, ESSA.

This is not all. The bill further provides the government with the ability to eliminate jobs in the public sector through contracting out. There is already a huge problem in our Public Service through the government's use of contracting out. Through this bill it will be able to do it even more easily. Again there is a superficial sense that this will help us manage. However, as a result of the way the government has operated two things have happened. Billions of dollars have been spent for which there has been no proper accounting. Over $5 billion a year is spent on contracting out and there is no proper accounting for this expenditure. The government has either been unable or unwilling to come forward with any fiscal rationale for contracting out.

• (1240)

We all know that government has not used contracting out to deal with the purchase of very specialized services for short periods of time, a legitimate use of contracting out, but rather as a way of controlling the employees terms and conditions outside the collective agreement and the legislation that afford them rights. For example, this provision is an attack on the fundamental rights of workers of the Government of Canada.

Contracted out employees are completely at the mercy of the government. Most of them have no rights to pension plans or other things. They have no right of security. They have no right to appeal promotions. Yet, more and more the government is reverting to this, I would say, virtually illegal but certainly immoral use of contracting out. With this bill it now wants to extend it.

Finally, the bill excludes Treasury Board staff from the collective bargaining process, again in violation of the legal rights of those employees. The government is going to use its majority in this sovereign Parliament to take away from Treasury Board staff that which the charter purports to give them: the right and freedom of association. That right goes back to the early years of this century. It has been enunciated over and over again that

workers have the right to decide whether or not they wish to be associated together for purposes of collective bargaining. Over the years legislatures and parliaments have provided the systems for achieving that right. It leaves the choice of whether they want a union and want to bargain collectively with the employees.

This bill takes that right away. It does not leave it to the Public Service Staff Relations Board or other similar bodies to decide what is appropriate in the circumstance, to balance the rights of the employer to have some employees excluded from the bargaining units, or for example requirements of confidentiality and so forth, legitimate reasons for exclusion, against the rights of the employees to bargain collectively and to be free from the domination of their employer as to their terms of employment.

This is a fairly bad bill. It has skewed the original promise of Public Service 2000 to make our Public Service more efficient. It has done so at the expense of the rights of those who work for the people of Canada. We have an outstanding Public Service. A vital Public Service is important and vital to the quality of life in our country. The time has come for the government to stop dumping on its servants for political gain and using its power as government to abuse the rights and position of its employees.

This bill should be defeated, not proceeded with. We have to go back to the drawing-board in a process which properly and thoroughly involves consultation with the Public Service to build an even better Public Service in Canada.

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, I thank my colleague for his address. I feel as he does that a number of features are potentially very positive but they are outweighed by some of the negative elements.

I would have liked to have seen the whole question of employment equity addressed, appeals processes, merit principle, deployment, term employment and contracting out, as well as people who have been excluded from bargaining. Unfortunately that is not the case.

I feel very badly as well that too often the Public Service is used as a scapegoat by government. It is an appealing target because of the misinformation out there about the excellence of the Public Service. Let us not forget it carries out the orders it is given by elected politicians.

Perhaps my colleague would comment on the following two points. It seems to me there has not been sufficient consultation and perhaps there were some suggestions as to what might have been done. This is a massive set of changes that will have major implications for now and in the future.

Second, it would appear to me as well that the timing of this legislation is not good. We are not without knowing that there is some friction and conflict between government and the Public Service. That is the result, some people would say, of bargaining in bad faith, tough bargaining, or being insensitive to workers, as well as dumping on those workers.

Would my colleague indicate to me what he might like to have seen in terms of additional consultations? Would he care to comment as well on whether or not the timing was as sensitive as it might have been in view of the context within which we find ourselves?

Mr. Brewin: Madam Speaker, I thank my friend for the question.

My understanding is that there was quite an uneven amount of consultation on this bill, particularly on Public Service 2000. Originally the idea was to have thorough consultation with the employees up and down through the whole system. In some departments that probably happened but in others it did not. Slowly over the process the confidence of the employees and their representatives began ebbing about what were the government's intentions.

My thesis, as I tried to express in my speech, was that what may have been a very valuable and important idea at the outset ran into trouble. It ran into trouble because in the higher echelons particularly in Treasury Board the interest was in giving Treasury Board managers tools to do what they wanted to do, often without regard to the rights, the attitudes and the position of employees.

That simply is outdated management. That is not a management that will produce efficiency because it undermines morale. In this day and age morale is the starting point for a highly efficient Public Service.

Mr. Dave Worthy (Parliamentary Secretary to Minister of Public Works): Madam Speaker, I am honoured to rise in debate on this issue today, especially since in my former life before coming to this place I was very much involved in employee relations, the need for employees and management to work in good faith with each other and on better terms.

Anyone who has been following the real world over the last two decades recognizes that this has become a major factor in all parts of the world, not just in Canada but in the United States, Britain and throughout Europe.

The bill we are looking at today, Bill C–26, represents the first significant change to the Public Service employment legislation in more than 25 years and as such it is long overdue.

I would like to talk today about one of the key features of Bill C–26 that was raised by the previous speaker, that is deployment. Before doing so I would like to spend a few minutes to set the scene to provide the context in which we developed the proposals we are debating today.

• (1250)

Madam Speaker, I do not need to remind you that the world has changed considerably since 1967 when the current Public Service employment legislation was introduced. At that time when the public asked for more services they were generally provided. The Public Service experienced tremendous growth, exponential growth, as new employees were added, but times have changed.

We are no longer able to add these new programs and hire hundreds of new employees to service them. We have had to and we still have to learn to maximize our resources, to get the most value from our dollar, to be more efficient and indeed more productive. To use the oft–repeated phrase, we have do to more with less.

That is the reality that not only our Public Service managers face today, but also all of the employees within the Public Service. We have to give them the tools that will allow them the ability to meet that challenge.

Managers in the Public Service will tell you and so will many of the employees that the staffing system is complex, cumbersome and time consuming. They will tell you there has been far too much emphasis on process, on faithfully following the prescribed steps on filling in the necessary forms. Managers will tell you, as they have told the Auditor General, that the staffing system as it currently operates is a serious impediment to effective management of the Public Service.

There is another very important factor. That is the need and the aspirations of the Public Service employees themselves. Public servants understand full well that the opportunities for advancement are more limited than in former years. However, they want the opportunities to learn new skills, to try out different functions, to meet new colleagues and clients. They want to be stimulated and motivated by new challenges and ideas.

We need to provide them with the flexibility to access these opportunities. This is not only so the employees can fulfil their own aspirations, but also because we recognize that employees who have a wider range of skills and abilities are more adaptable and more able to meet the challenging needs.

Our employees have tremendous potential, potential that in far too many cases has gone untapped. It will benefit all Canadians to unleash that potential.

In Bill C–26 we have tried to provide a reasonable balance between the need for greater efficiency and flexibility in our systems, to respond better to the needs of the public and to the legitimate aspirations and interests of our employee to develop their knowledge and skills so that they can continue to enjoy challenging careers. This is the context in which we developed our proposals for deployment.

It is important that we all understand just what the term "deployment" means. We are speaking effectively of lateral moves or transfers between jobs at the same level with no promotion, similar terms and conditions of work, and little or no change of salary.

The concept of deployment is not new. Such moves, generally called transfers in the past, have occurred and still occur today. What is being proposed is not then totally new but there are some important distinctions between deployments and transfers and that is where the discussion has taken place.

Deployments will be made under the direct authority of deputy ministers rather than as transfers are by the Public Service Commission itself or by managers under delegation from the commission.

This change recognizes that deputy ministers need the ability to deploy their employees to jobs or duties where they are required and when they are required. Let me repeat though that we are not talking about promotion. We are talking about a clerk at level four working in one division being moved to a clerk level four position in another division. It could be because of a challenging situation there or a change in workload.

We are talking about an engineer whose work on one project has been completed and who is now ready to move on to another. We could be talking about a lab technician who is assigned to a new higher priority research project.

Deputy heads need the authority which is available to most managers in most organizations to move employees in that way without going through a time-consuming competitive process.

In all the cases I have mentioned, the employees have been recruited or promoted to their current levels by the Public Service Commission which has found them to be completely qualified. In most cases, they have competed against a number of other candidates and have been found to be the best qualified. Little would be gained by requiring a complete re-examination of their qualifications every time they are moved to similar level jobs.

In our view, the merit principle is not compromised by deployments. Let me assure you that the merit principle will continue to apply on recruitment to and promotion within the Public Service. There is a misconception that this is not the case and I want to lay those fears to rest.

Deployments will require the expressed consent of the employee being deployed. This requirement will not only protect employees from arbitrary and unreasonable moves, but it will also give the employees and their managers the context in which to identify mutually satisfactory career moves.

There will be some instances where employees will be asked when they initially accept a job in the Public Service to accept the possibility that they may be deployed from time to time. I think it can be appreciated that this is required in certain occupations such as in the foreign service where the very nature of the job requires that employees be willing to be deployed.

In the cases which we expect to be exceptional, employees will know up front when they accept a job what the conditions are and what they can accept or reject on that basis.

Because deployments will not be treated as appointments as are recruitment and promotion, many of the procedural requirements of the current Public Service Employment Act will not apply. There will not, for example, be a requirement to conduct competitions to select employees for deployment, to solicit applications, or to establish eligibility lists.

That does not mean that the government in its role as employer will not provide adequate protection to Public Service managers on how deployment is to be managed. Policy directions and guidance will be provided.

Throughout the committee hearings and other discussions on deployment, many parties expressed the fear that managers would use deployment as a way to favour some employees and punish others. Although they profess to believe that the instances of abuse would be minimal, their proposed solution suggests that they have very little regard for Public Service managers.

In fact, the previous speaker tended to make the same implication. Somehow or other some people believe that public servants change after they cease to become employees and enter the management ranks. They do not. They still have the best interests of their colleagues and of the public at large at heart.

Many of the people who have questioned this process have suggested the solution to the anticipated problem they think is there is to provide all sorts of procedural prescriptions in law to tie the hands of all managers. They tie those hands so tightly that in fact they would be worse off today under the new legislation or under the recommendations than they have been in the past.

I have more confidence in the management's judgment and integrity. The Public Service management has had years of credibility behind it and it will not change. It has proven itself time and again to be committed to its employees and to the public which it serves.

Of course, there will be some poor deployment decisions. In an organization where thousands of such decisions are made every year, this is inevitable and we have to accept that. However, the solution is not to punish the vast majority of competent managers for the sins of the few. The solution is to ensure that the managers understand what is expected of them, to give them the tools needed to get the job done and then to hold them accountable. Managers who abuse their authority should be dealt with as needed. This is the approach that has been taken.

• (1300)

We have provided employees with the right of recourse on deployment decisions that affect them. If an employee believes that a deployment was improperly made or constituted an abuse of authority, he or she will seek a review of the deployment decision by their deputy minister. The deputy minister has the authority to review the decision and to take appropriate action to resolve any problem which may have arisen.

If the employee is still not satisfied, he or she may approach the Public Service Commission which will conduct an independent investigation. In the final instance it can require the deputy minister to take appropriate corrective action.

This recourse process is also available to employees who believe that they have been forced to give their consent to deployment.

We believe the approach to deployment that I have described meets the needs of all parties. Managers will have the scope required to meet their needs, but the legitimate interests of the employees will be protected.

In summary, deployment will be an important staffing tool which will enable Public Service managers to respond quickly to changing priorities and the needs of the public. At the same time, it will provide employees with fresh opportunities to learn new skills, try out different activities and explore career options.

We are confident that deployment will be managed well in the interests of all parties and above all to the benefit of Canadians through improved service delivery.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, I want to thank the member for Cariboo—Chilcotin for his comments. He addressed one very narrow part of the bill, but an important one. He gave us the government's position *vis-à-vis* deployment, or what we used to know as lateral transfers or lateral moves.

Bill C-26, if I understand it properly, will allow managers to move employees to any other position within a level to any other location or any other department without regard to merit or other employees' concerns, or for that matter to other employees who may be equally or better qualified on that same classification level.

Employees will have no right to appeal or recourse. The Public Service Commission will have no authority to exercise its responsibility to safeguard the merit principle. Employees fear this managerial discretion will lead to harassment, favouritism and further barriers to employment equity.

We all know the new classification system will group many more layered employees into one level. There will be a kind of homogeneous rearrangement made allowing managers to effectively make promotions and demotions without regard to merit through competition.

Employees will have no recourse to impartial review of deployment decisions. Deployment is theoretically voluntary but the bill contains no safeguards against arguments to be deployed becoming part of the standard conditions of employment.

The deployment measures do not include any provisions for accountability. It was a major concern of the public accounts committee, which I chair. In our report to Parliament we said so.

The Liberal Party, of which I am a member, proposed 13 amendments in committee to address the most serious concerns expressed by public servants over deployment. In our view, those amendments had they been

accepted, would have improved and would have offered redress mechanisms for deployment.

It would have protected the merit principle and, in my view in all honesty and with all due respect to government members, improved accountability.

Why is the government so hard nosed, so difficult on this issue when it knows that these amendments, if they had been at least considered and accepted, would have addressed the issue of deployment and possibly made it a better bill?

Mr. Worthy: Mr. Speaker, I thank the hon. member for his question. I think you can see the balancing act that is required whether you are dealing with the Public Service or free enterprise.

When you are attempting to bring a higher motivated work force to the task in this day and age, it requires the need for managers to have more flexibility. It requires that they be able to make decisions. It requires that employees be able to respond to situations without the tedious process that they now have.

There is the other side. There is the balancing, the potential abuse that the member refers to. He mentioned that we have not had a chance to go through a merit exam for each of these lateral moves. That is not necessary. He would have to agree that the employees that have arrived at a certain level have demonstrated their competence. They have shown that they have the merit to be at that level. I do not think that he would suggest that they have to reprove that every time they want to make a minor change in their position.

He indicated that the person could be required to move not only his position but possibly a change of location and even a change of department. My understanding of the bill is that this is correct. I also indicate that it is balanced with the expressed consent of the employee. In many cases it is in the employee's best interest that he be allowed the opportunity to take on a new position within the same level in a new different location or in fact in a different department.

The other point he raised which has to be corrected is that this cannot be done without the employee's consent. Second, the appeal process is there. The employee can appeal through the department. He has an alternate appeal if the answer is not satisfactory.

I maintain that although there is a balancing act being attempted here, and it must be attempted if we are going to deal with this problem realistically, it has been handled well. In fact a good balance will give the advantages to the employee to take advantage of new and motivationally interesting assignments and also for the manager to better deploy the resources within the department to meet the Public Service needs.

[*Translation*]

Mr. Gauthier: Mr. Speaker, to follow up on my discussion with the hon. member for Cariboo—Chilcotin, I believe his comments are, in a certain context, accurate, except each civil servant must voluntarily—and that is in theory—accept a lateral transfer.

[*English*]

My only concern regarding the member's comments with regard to deployment is that indeed there is a voluntary connotation but it is theoretical up to a certain extent. It only applies to employees who are being deployed, not for others who are being affected. That was the point I was trying to make.

• (1310)

The bill contains absolutely no safeguards against agreements to be deployed becoming part of a standard condition of employment. I also want to remind my hon. friend from Cariboo–Chilcotin that the Federal Court of Canada in January of this year struck down the Order in Council giving deputy ministers the freedom to transfer any employee. In their view, and I quote from the court's decision: "This departs substantially from the merit principle". Is it me, is it the Liberal Party saying this? No, it is a judge. The judge said further regarding one of the government's arguments that to accept that position: "I would be defeating the whole purpose of the Public Service Employment Act, which is to ensure that appointments to the Public Service are made on the basis of merit". Therefore, I rest my case on that point. I was trying to make the point that employees are concerned. I think I have made that case and the argument will rest there for now.

[*Translation*]

Mr. Speaker, to go back to the legislation under review, namely the third reading of Bill C–26, according to its authors, the very purpose of Public Service 2000 and this bill which flows from, it is to improve the

credibility of the government and to give more importance to service to the public.

What this legislation should do is streamline a public service that has become too complex and administratively cumbersome, and that is demoralized by downsizing, privatizing and contracting out policies.

The quality of services and the accuracy of information provided by civil servants play an important role in how Canadians perceive their form of government.

Does Bill C–26 fulfill the expectations of Canadians who want to have an efficient, effective and responsible public service once and for all?

[*English*]

My colleagues and I have some serious concerns about this bill. We said so at second reading, we said so in committee and at this stage of the bill we are going to repeat some of the concerns we have had because we know we are speaking for the majority of public servants and we also know that this process is flawed. If only the government had consulted more widely with public servants, the opposition and, most important, had seriously considered our suggestions, perhaps we would be here today hailing this proposed legislation as progressive, even ground–breaking. We are not. We are going to vote against this bill

An hon. member: With joy.

Mr. Gauthier: I am not going to say with joy. I would say with sadness because I was really hoping that after all these years we would come to grips with a reasonably good reform of the Public Service. This government favours confrontation and threats as an effective way to manage the Public Service of Canada while at the same time talking grandly about so–called Public Service reform. It is no surprise that many public servants are sceptical about Public Service 2000.

The need for reform is obvious but it is essential to ensure that reforms are made in the right direction in the right way, taking into consideration the context as well as the impact on employees and on their work. When this bill came before the House for second reading, we found ourselves urging the government to reconsider certain serious flaws. Today I am still deeply concerned about the undermining of the merit principle which will further lower morale within the Public Service of Canada and will do little, in my view, to improve the image of public servants among Canadians.

When the merit principle is not strictly applied, there is clearly a risk of patronage and favouritism. Furthermore, this bill does not address the urgent issue of accountability. The Conservative government proudly proclaims the extent of its contracting out as a way to save taxpayers' money. Contracting out means that the function within the Public Service is given to the private sector to do. Yet in many cases no accountability mechanisms are in place to determine whether there are any real savings with contracting out. As well, increasing flexibility for managers is not compensated, in our view, with mechanisms for increased accountability.

My hon. colleagues and I have done our best to try to convince the government to adopt certain amendments that we felt would improve and strengthen this legislation and the working conditions of the Public Service, one of the best in the world. The Public Service of Canada is known throughout the world as one of the most efficient public services.

The government did indeed listen to us on a very few points. The Liberal critic on the Public Service was successful in convincing the government to give Treasury Board, the employer, the same obligations as other employers, including the elimination of discriminatory practices, tabling of an annual progress report, and improving job promotion opportunities for the groups designated as the employment equity group or those who fall under the Employment Equity Act.

In virtually every other area that my Liberal colleagues and I proposed changes, and I did propose some changes, the government turned us down, defeated the amendments at every stage of study of the bill.

Amendments proposed by the Liberal caucus and defeated by the Conservative government touched upon the following: We wanted to give Public Service Commission members a clear mandate to investigate complaints of harassment and abuse of authority. We thought this was appropriate. The Public Service Commission should be the watch–dog over this very important field.

We wanted to protect the use of the merit principle, the merit principle being very important, which will be virtually destroyed by Bill C–26. We wanted to reinstate the current definition of an eligibility list because Bill C–26 would undermine the purpose of the eligibility list and let regulations used to determine how the lists would be made and applied, once again exposing the system to patronage.

We asked for deletion of clauses in this bill which restrict the right of an employee to appeal an appointment. We wanted to ensure that the Public Service Commission would be obliged to review appointments. We wanted to make sure these appointments were done properly. Without this review, there is no way of knowing that patronage and favouritism have not invaded the Public Service of Canada. I say it again: accountability does not exist at this time.

One amendment of the Liberals addressed the mistreatment of term employees by having them covered by the work force adjustment policy. We believe that many employees are extended continuously, be they term employees or people who are employed to do certain jobs but with restricted time frames. We believe that many of these employees are being extended continuously a few months at a time but ending up after a while, sometimes after many years, having absolutely no rights as employees, including the right to job security. Our amendment was to ensure that term employees would have the same rights as indeterminate employees which are full time.

In the case of deployment, and that was discussed with the member for Cariboo–Chilcotin a few minutes ago, we wanted to allow the same appeal process we proposed for appointments. We wanted to ensure that the merit principle as well as the need to provide services in both official languages applies to deployments. Again this was to ensure that managers would be accountable for their deployment decisions, accountable to somebody, accountable to this House and accountable to the people of Canada.

• (1320)

We proposed that complaints be addressed without undue delays, obliging the deputy minister to tell an employee within 90 days how the complaint was addressed and what measures had been taken. It is reasonable and it is good employee–employer relations.

We suggested changes to allow a person launching an appeal to have access to all the information the Public Service Commission uses in evaluating the appeal and that a person be given adequate notice of a hearing affecting their employment. This is only fair.

We proposed giving part–time employees bargaining rights and collective rights under the Public Service Employment Act and allowing unions or a group of employees to launch a grievance on behalf of employees. However, all of these proposals, based on the approach of providing a positive work environment, were flatly rejected by the government.

It is no wonder that during the Tory regime the Tory government, which has no respect for public servants, has seen the exodus of many talented individuals from the Public Service of Canada.

The Liberal critic on the Public Service, the member for Ottawa West, noted a few days ago in the House that the government had not even had the decency to make minor corrections to the bill which were, in our view, technically needed.

It is clear that the negative attitude and destructive politically expedient policies of this government have done far more damage to the Public Service of Canada than the reform process as currently envisioned could possibly repair.

A sea of change in government Public Service relations will be necessary. This change I submit will come only with the next election. We have had enough years with the current government to make it abundantly clear to public servants and to Canadians that public servants are at the bottom of the Tory priorities. The treatment of public servants during the past eight years has been unacceptable and it has been shameful. It is a time for change.

I submit that we can wake up our bureaucracies, that we can stimulate them by giving them the means to be accountable, by encouraging them to be committed and enthusiastic.

Taxpayers have a right to demand high performances from their government. They have a right to expect also that public servants and public funds be managed pru-

dently, honestly, with integrity and with concern for equity, efficiency and effectiveness.

In my view the key to success is political will. Real political support is indispensable for implementing a new management model in the Canadian federal Public Service. Over the last 30 years there have been numerous attempts to reform the Public Service. If the Public Service were able to respond more effectively and efficiently to the needs of citizens, maybe the taxpayers would see public servants and politicians in a different light. If managers were able to get the best out of their resources while being openly accountable to Parliament and Canadians, I am sure that Canadians would have a less cynical view of government. That is what the challenge of Public Service reform is all about; accountability, efficiency and effectiveness.

However, public servants at this time are caught in a strait-jacket of rules and regulations which sometimes fosters managerial inefficiencies, and inefficiencies hamper bureaucratic innovation.

As chairman of the public accounts committee, I could go on for hours on end giving examples of managerial ineffectiveness. The Auditor General's report is full of them. Read it. It was tabled this week. It makes for heavy reading sometimes, but the case is there.

[*Translation*]

Public servants must be made accountable, and this must be done by introducing a new Public Service culture.

This new culture must instil concern for administrative efficiency, effectiveness and simplicity. From now on, the abiding concern must be performance, achieving goals and constantly improving services and customer satisfaction, as if it were their own business. Federal Public servants must have the freedom to act as if they were the owners. In fact, we all own these services. And just as the private entrepreneur will try to maximize profits while providing an efficient service to customers, the public servant has an obligation, as we see it, to offer his customers and major stockholders, the Canadian people, the best possible service at the lowest possible cost. To do this successfully, public servants must understand the two basic elements that should guide their performance: the organization's mission and its objectives.

I suggest we leave the responsibility for developing and determining policy objectives up to the politicians, to the members of this House, and that we leave good administration up to our public servants. However, we need certain criteria with respect to hiring policies and financial issues, to guarantee sound management free from any hint of favouritism or fraud. Merely delegating duties and tasks is not enough. However, if public servants are to strive towards optimum organizational performance, they must have the authorities to decide how to do that. We must rely on their judgment and trust their creative thinking.

This cannot be achieved, however, without more tolerance on the part of politicians for the mistakes and failures of public servants. The solution may be a concerted effort by politicians and public servants. It is undoubtedly a matter of mutual support and commitment.

The government proposes to make sweeping changes in human resources management. It intends to deregulate the bureaucracy to a certain extent and, I hope, give public servants the desire to do better.

No one can have any quarrel with these objectives. They are valid and they are praiseworthy. They are entirely in line with what I just said. Perhaps the reform proposed in Bill C-26 does not go far enough. The time has come to stimulate a public service that is demoralized and weighted down by constraints that restrict innovation.

[*English*]

We have had 30 years of discussions. We have a proposal in front of us which, in our view, is not satisfactory, not complete. We are not the only country looking at changes and reform; France, Australia, Great Britain and the United States are doing it.

I can tell the government, I can tell members of this House, that we may have to apprise ourselves of what is going on in other lands. I would hope that we would look around, because God knows we need some inspiration. We can do things better, we can improve the situation, we can get better services from our public servants only if we show confidence in their initiative, in their way of thinking, and we empower them to have this possibility of doing better and surpassing themselves.

I hope that we will come back to this subject in the near future, because this bill is flawed. I hope that the government will see its way through to bringing in some valid changes, some good profound changes so that we can reform the Public Service in a way that is constructive, effective, efficient and economical.

• (1330)

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, it gives me great pleasure to speak on this bill. Mind you, I am not extremely excited about Bill C–26. I am not even anxious to see it go through. It is my hope that once it goes on its way to the Senate, the Senate will have some fun with it and try to take it back to where it belongs and that is to the people who are going to be most affected by it.

There are a number of things in this legislation one cannot help but bring to the attention of the public. The legislation by itself does not deal with many of the questions that have been bothering the Public Service of Canada for a long time; these are the questions of job security and morale within the Public Service. I want to focus on those two points.

On the question of morale in the Public Service, never in the history of this country have we seen such a massive walk–out in front of Parliament Hill in which every public servant—it does not matter what his or her rank was—walked on to Parliament Hill in order to tell the employer they were extremely unhappy with the way they were being treated.

I would say that is a cause for alarm. Simply put, when a public servant decides to go on strike, something must be fundamentally wrong. These people are among the finest in our work force. They have picked the job of serving the public because they believed in it and also because they wanted to do something in the best interests of the people. To see them walking out one cannot help but say there has to be something fundamentally wrong in the system.

Why did they walk out? Simply put, it was because of harsh and foolish treatment on the part of the government *vis–à–vis* these competent people.

The government indirectly was incapable of managing its own employees. It was incapable of managing the consultation process with them to a point at which we had a breakdown in the communication between the employees and the employer and they walked out.

More and more what we are seeing is this government asking the public servant to do more for less. All one would have to do is look at any one department in the Public Service, for example, the department of immigration. This is a perfect example and fresh in the minds of the people and in the minds of the public servants and the members of the opposition party. The government is planning to centralize, and decentralize at the same time I guess, the processing of immigration applications and it is trying to put the centre somewhere in order to process all applications through that centre with approximately 200 to 300 employees.

The government is not remembering that it would in a way indirectly cause a lot of harm not only to the public servants who are trying to do their job, and they do not have the resources to do it, but also to the public at large. One of the most fundamental and important things in our immigration system is when an applicant wants to bring in his or her family, they would have a chance to sit with an officer to try to have an interview and the officer from time to time would provide the applicant with reasonable, fair and helpful advice. That whole system would be eliminated. As such, one would fill in an application, send it in the mail along with $350 and God knows what will happen after that.

That particular measure by itself was ill–advised. If anything, it is going to hit hard and affect not only the people who are working in that particular department but the public at large.

All one would have to do is go to any employment centre in Canada and see the number of people waiting in line to try to see an official. Immigration centres are no different. The government is sitting back and looking at this whole process collapsing before its eyes and putting more pressure on the public servants in order to produce more without giving them the resources.

I have in the past called on the government to set up a specific and independent task force with one mandate and one objective, to go out in the public domain, have a look at the Public Service and the kind of services it is providing to the public. It should find out whether we have enough public servants to provide services to the public or whether we have a surplus of public servants.

I call tell you this. I know it first hand because my staff works on a daily basis with constituents. We know there are shortages of manpower within our Public Service. We do not have enough resources. There are not enough people to provide the services that the public needs.

I will give another example. In order to obtain an application from a citizenship office, you may have to wait up to eight months. After you have obtained the form you want to have a little chat with an officer at the desk. Filling in the application, returning it and getting an interview will take you approximately another eight to ten months. The whole process takes in excess of one year and eight months from the time you call in to the time you are approved or rejected.

The reason for all the delay is because our citizenship courts all across the country have a problem with manpower. We have called every citizenship office and we always get the same answer. They need more resources and they just simply cannot deal with the problem at hand.

There are other problems. There is the question of security clearances. A flood of applications are coming into the system, whether from people trying to be hired or from people who are trying to get their security clearance, whether for citizenship or landed immigrants. It takes a long period of time. There is a tremendous waiting list. The reason for that is lack of manpower. There are not enough resources to deal with the problem.

These are three departments that I thought I should use as examples to show that we do not have enough manpower within our Public Service. I do not know how we can convince the government of this fact. Will every member of Parliament in an urban centre have to bring in all of his or her people to Parliament Hill in order to petition the government to take action on the issue of lack of resources within the Public Service?

We are not alone. The public servants are telling the government most directly and indirectly through the public at large, that they need more resources in order to deal with the work at hand.

What does the government do from time to time? It hires casuals for four, five or six months. What happens? Perhaps those people who are hired on the basis of a contract for five or six months are excellent people, but because of the government policy of not hiring anymore, at the end of six months the government lets these people go and hires somebody else to come in, someone who may or may not be qualified. Those people have to be trained for three months and by the time they are fully trained to do the job, they are let go. It happens over and over again.

What are we doing here? Are we trying to fool the public or are we fooling ourselves? The government is fooling itself. It is not going to solve the problem.

The second way of dealing with this problem is contracting out. I have no objection to contracting out, providing you get value for your dollar. The government has spent millions of dollar over the past few years contracting out work which in some cases could have been done within the Public Service. Perhaps it would have been done a lot better because these people know exactly what they are dealing with.

• (1340)

We put out a contract and company A or individual A will do the work. They bring it back and our public servants are forced to go over the work all over again. In some cases this is costing even more than it would have cost to hire the workers on a permanent basis.

What is the problem? Are we here really reforming the public service work force in order to make it more productive? In fact we are creating more red tape and bureaucratic nightmares for the public servant.

In reality that is exactly what the government is doing. They are complicating the situation, a situation that is super simple. Our public servants are fully equipped, fully aware, they are an intelligent group of people. I would say it is one of the most intelligent work forces anywhere in the world. All one would have to do is go to some of these departments and ask them about the kinds of services they provide, the qualifications they have, the kind of work they do.

I attended a consortium a few weeks back with the President of the Treasury Board. They brought in people from the different departments to share with the public the kind of services they provide. I was absolutely delighted to see the quality of work our public servants do, in terms of the vision for the future, the services they provide, and also the extra effort necessary in order to streamline their services to make it more efficient, more valuable to the public.

As I walked in between these booths one thing could not escape my mind. I asked myself, what is the government mind-set? What things would it like to see done better? Over and over the same problems came up. We have a morale problem. I am not sure the government appreciates what it is doing to the public servants.

It is time for the government to realize that we have an excellent work force. It is time for them to appreciate the quality and the qualifications of these people. It is time for it to reward those people, not by downsizing a department every second week or every third week or by moving them out of the national capital region.

I cannot believe why our government would—I would say probably politics—try to terrorize the Public Service. It moves one department to Winnipeg, another department to Saskatchewan, a third department here, a fourth department to Alberta. It is absolutely deplorable.

There are more people coming into the capital of Canada to work with the Government of Canada, not to get out of the capital of Canada. The government is doing it all wrong because some of these people who they move to the boonies still have to come here in order to co-ordinate their work with other departments. There is no cost saving.

Mr. Brewin: Is that what you think of Victoria?

Mr. Harb: The Minister of Supply and Services on the other side is a very fine individual. I know what he will do. At the next cabinet meeting he will stand up and defend the interests of the public servants in the national capital region and all across Canada as being one of the finest public services anywhere in the world.

I know somebody is going to ask what the Liberals would do. I will tell you what the Liberals will do.

Mr. Brewin: Same as the Conservatives, only worse.

Mr. Harb: Why does the NDP even bother attacking the Liberals at this time. It is beyond me. All we have to do is look at what happened yesterday in the province of Ontario, with the biggest ever assault on our youth in the history of Canada. The whole country is ashamed of what is happening in Ontario. They have attacked our youth by trying to cut student grants, the most important thing for a youth—

An hon. member: You sound like an NDPer.

Mr. Harb: God bless you, my friend. We should continue to appreciate that we have a work force that is efficient, that is productive, that is dedicated, that is loyal. We have to take the next step and continue to support the revitalization of our Public Service from within. Let them tell us what are the kinds of things they want us to do in order to help them.

The worst manager in the world is a politician. We were elected not to be managers, we were elected to be trustees of the Public Service. The government is turning everything around and switching from being a trustee of the Public Service and of the people of Canada to trying to manage these things. Over the past eight years it has mismanaged the economy, it has mismanaged the Public Service, it has mismanaged everything it has done. This is further proof to my theory that if you do not know something, listen to the experts.

Look at the track record of the Liberal Party since Confederation up until now. We always supported the public servants. We always stood up for them, we always provided them with the tools they needed in order to do the job they have done so well in the past and will continue to do in the future.

I do not know why my colleague from the NDP has to defend the record of the government. I do not know why he would want to do that, but then again nowadays you just cannot see the difference. Can you see the difference? I cannot see the difference.

Pay equity is another problem within the Public Service. Day after day—and the Minister of Supply and Services would agree with me, he would be receiving the same kind of information that my office is receiving—we receive the yellow slips that are a notice to us as members of Parliament that the pay equity legislation has to be put in place as quickly as possible.

When is the government going to get cracking on those issues and deal with them in an effective manner? I do not know when the government is going to deal with those issues and I do not even think it really cares about them. I mean, when you think of the NDP Government of Ontario, you think of its past associations with pay equity. I just learned yesterday that it is not proceeding with pay equity within the province of Ontario.

In closing, Mr. Speaker, as Liberals we are committed to the partnership between the public sector and the private sector. Also, there is a partnership between the government and its own employees on whom we rely for policy advice, to carry out program services and regulations as mandated by the Parliament of Canada.

I know my colleague from Nepean has a question for me and I am willing to listen to it.

Hon. John Bosley (Don Valley West): Mr. Speaker, I have a feeling that some of the comments that have just been made are likely to be quoted fairly widely as a result of this speech. In order that we do that fairly, I think we want to be quite clear as to what it is the hon. member has actually said. I just want to be sure, because he said a couple of things and I want to make sure that I got them right.

I take it that politicians are the worst managers in the world. He puts himself in that class as one of the worst managers in the world, and therefore we should take his advice about management because he is one of the worst managers in the world—if I understood what he is saying.

• (1350)

Second, is it now the policy of the Liberal Party—I take it that is the extension of the member's comments—that all services should in fact be centralized in Ottawa where they can be best delivered?

I am sure this has nothing to do with the fact that the majority of the constituents of the member's riding are federal public servants; it is a policy view of the member and of the party. However I want to be clear that he thinks services should in fact be centralized in Ottawa and that, to quote him, "Winnipeg and Victoria" and I take it by extension Toronto and Montreal "are the boonies of Canada".

Mr. Harb: Mr. Speaker, I want to make perfectly clear that when I made reference to politicians being the worst managers, I meant politicians on that side of the House; certainly I did not mean our side of the House.

Second, when I mentioned the boonies, I was referring specifically to one decision of this government to move the department of immigration to the riding of the Minister of Finance.

An hon. member: Vegreville.

Mr. Harb: Vegreville. I have every bit of respect for every public servant everywhere in Canada. I am not saying that we should bring them all here. I am saying that for political expediency and political reasons we should not be moving public servants out of this region to other parts of the country without any proper analyses and reasons.

With those analyses and reasons I am sure they would come to the conclusion that public servants in the capital of Canada can serve Canada anywhere. They can serve the Canadian population no matter where they are.

Mr. John Brewin (Victoria): Mr. Speaker, the member was given an opportunity by the previous member to withdraw his suggestion on behalf of the Liberal Party that its view of Canada is that Ottawa is the heartland and everywhere else is the boonies. He did not take the opportunity to withdraw that.

I quite look forward to somebody from the Liberal caucus getting up and saying that is not its view. My constituents of Victoria will be interested in hearing that is the Liberal view of the rest of Canada.

Mr. Harb: Mr. Speaker, no part of Canada is the boonies. If that is what my colleagues understood, that is not what I meant.

I want to ask the member a question. Can he tell me if moving the centre of immigration to Hagarville is the right thing to do? That is the case in point I am trying to make. Is it Hagarville?

An hon. member: Vegreville.

Mr. Harb: Vegreville. That is the point I am trying to make. If that is what he understood, that is not what I meant. There are no boonies in Canada. Canada is a great land from coast to coast and from corner to corner.

I want to ask the hon. member on the opposition side, the NDP side, if he agrees with the decision of the government to move a centre to Hagarville. Is he in agreement with that? That is what I was referring to.

Mr. Blaine A. Thacker (Lethbridge): Mr. Speaker, I have never seen such fast backtracking in my whole life, but we have now established that Toronto is not in the boonies and that Victoria is not in the boonies.

I want to know, on behalf of all the federal public servants in the riding of Lethbridge, whether or not it qualifies as the boonies. Remember, it is Lethbridge. I would appreciate the member pronouncing it correctly, because he certainly got Vegreville wrong.

Mr. Harb: Mr. Speaker, any public servant who works in any part of the country is a great public servant. Public servants are efficient, productive and magnificent. The case in point again—

An hon. member: Is that what your point is?

Mr. Harb: I can see it is Friday afternoon and my colleagues are having fun. We may as well have some fun. What is the name of the riding?

Some hon. members: Vegreville.

Mr. Harb: Vegreville. The move of the public servants to Vegreville, the riding of the Minister of Finance, is the wrong move and that is the whole case in point.

There is not a single public servant anywhere in the country who would like to see unfair treatment, the kind of thing that has taken place over the past four years.

Mr. Mills: That is abusing the Public Service.

Mr. Harb: Absolutely. My colleague from Broadview agrees with me.

My colleague has given me the word Vegreville. I am absolutely sorry for mispronouncing it about three or four times. Just to sum up this discussion, it does not matter where our public servants are. They continue to provide high quality, excellent, fascinating services to the public. There is no part anywhere in this land that is a boonie land. This land is a great land. This land is a magnificent land.

Just to go on record—

The Acting Speaker (Mr. Paproski): Order, please. The Minister of Supply and Services and then the hon. member for Nepean.

Hon. Paul Dick (Minister of Supply and Services): Mr. Speaker, my good friend from Ottawa Centre is quite right. People in the House are having a bit of fun today. It is at his expense, but it is all meant in good fellowship.

Since he was talking about moving people out of Ottawa to other localities in Canada, which he originally described as boonies if they were outside Ottawa—he has withdrawn that now so there are no more boonies—is he saying that is a very bad move and should never happen? If so, does he disagree with the Liberal government of 1979 when it ordered 15 sections of the government to 15 different constituencies, 14 of which were constituencies of Liberal cabinet ministers? Does he disagree with that?

Mr. Harb: Mr. Speaker, one thing I want to keep clear in the mind of the minister is that had I been here in 1979 I would have given him a much better answer than I will give him now.

I deplore actions that are not based on fact, actions that are not based on reason. I am not in a position to defend actions of previous governments. I do not think it is fair for us to stand up here and bash the governments of Diefenbaker and Mackenzie King. Those are governments from the past and we have to focus on the future. We have to talk about the future. We have to talk about the present.

Day after day in the House we see members on both sides of the House accusing one another in terms of what happened 10 years ago or what happened 15 years ago. In the meantime there are line-ups of people out there looking for jobs, looking for opportunities, looking for assistance.

If anything we have to stop talking about the past. We have to take an example from the past and keep it in mind so that we do not make the same mistake when it comes to the future. The past if anything is just a passing memory, to remember it so that we do not do the same thing.

I want to ask the minister a question, Mr. Speaker, if it is possible. It may not be possible—

The Acting Speaker (Mr. Paproski): No, it is not possible. The hon. member's time has now expired.

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, I know it is silly time and it is Friday afternoon. I hope that my comments will add some levity to the very seriousness of this situation and the seriousness of Bill C-26, the Public Service reform act. We keep talking about boonies this afternoon. Is it any wonder the public thinks that we are a bunch of loonies?

I am pleased to have the opportunity to address Bill C-26 once again, an act to amend the Public Service Employment Act, the Public Service Staff Relations Act and other acts in relation to the Public Service of Canada.

My colleagues and I on this side of the House continue to oppose this bill because if passed it will essentially change for worse some of the fundamental precepts on which our non-partisan and highly respected Public Service is based.

• (1400)

I have consulted with many public servants who happen to live in my city of Nepean. It was the general belief that the federal Public Service does need to be reformed. Today the Public Service is operating according to legislation developed in the 1960s. Surely the need to adapt to changing times is a must in order to adjust to the substantial developments which have occurred in the business environment over the last 25 years. Principles taken for granted in the 1960s are no longer applicable today in the 1990s and into the next century. However Bill C-26 as it now stands is definitely not the answer.

While Bill C-26 does have some positive elements, there are a number of reasons why we in the opposition party oppose this legislation. Among the most serious flaws are the following. Clause 10 as an example replaces the fundamental principle of hiring the best person for the job. It allows for a qualified person to be hired without having to compete against other candidates.

This could close the door on those most suitable and best able to perform the particular job. While clause 10 could close the door on the best candidate for the job, clause 19 opens the door to increase contracting out by this government, which in turn would decrease government accountability to Canadians.

If this bill is passed this clause will grant deputy heads the power to lay off employees if their work or function is transferred outside the Public Service.

A number of clauses in this legislation will permit decisions to be reached by regulation or policy effectively removing the right of Parliament to determine fairness and impartiality in employment in the Public Service.

Clause 23 allows the Public Service Commission and Treasury Board to create regulations regarding appointments without, among other things, competition and priority right of appointment. Clause 26 makes the Clerk of the Privy Council the head of the Public Service. This significantly clouds the separation between political control and a supposedly non-partisan Public Service.

Clause 22 allows deputy heads to transfer staff to other jobs without competition. This new system may make it possible to promote or demote under the guise of deployment thus increasing flexibility for management while not offsetting this with protection for the merit principle, safeguards against arbitrary exercise on new staffing authority and accountability.

Because the work force adjustment policy will not apply to lost jobs as a result of devolution of the functions to provinces, devolution may be used as a means of downsizing the Public Service.

Clause 16 adds a 90-day casual employee category. This clause could create a whole new subclass of public servants, those without rights or benefits. Furthermore, these casuals can be hired without any consideration given to qualifications.

Clause 48 allows for the appointment of a fact finder at the request of either party in dispute. But the fact finder's report is not binding. This would allow the employer to use the fact finder as a delaying tactic during negotiations.

Throughout the two and one-half months of the committee hearings on Bill C-26, witnesses outlined how the bill could be improved. A number of convincing and substantial arguments were put forward by many respected academics, unions and interest groups. Unfortunately the Conservative government majority ignored their views and voted down all but a handful of opposition amendments.

Indeed the Liberal Party put forward amendments which addressed the problems outlined above. We put forward an amendment which would impose obligations and define the responsibilities of the Public Service Commission. Another would have ensured full disclosure of information and adequate notice of appeal hearings.

We also introduced an amendment to reinstate the best qualified as the main consideration in appointments. We proposed expanding the grounds for complaint and investigation, protecting term employees in case of lay-offs and providing the bargaining agent with the opportunity to submit a grievance.

Recognizing that amendments shot down in committee by Conservative members not interested in improving the bill cannot be reintroduced here in the House of Commons, we on this side of the House have a number of new amendments that should be addressed and should be addressed here today. It is my hope that this time the Conservative members on the opposite side of the House will listen and decide that the interests of the Canadian people and their public servants deserve to be heard and acted upon.

I continue to oppose Bill C-26 at this third reading and I continue to support clauses of the bill that contribute to strenghthening the Public Service and its ability to serve the public and improve labour relations. I continue to oppose clauses of the bill that undermine the merit principle without adequate safeguards that destabilize the Public Service, that discourage the hiring and retention of highly qualified individuals and that reduce accountability.

I draw the attention of the House to the government's recent actions with respect to proposed budget cuts, the remarks of the Auditor General regarding the inappropriate use of the work force adjustment policy, which will be exacerbated by the provisions of Bill C-26, and the blatant attempts by the government to muzzle any opposition to the bill throughout the legislative process.

This government with regard to our public servants has been one of mismanagement. This government cannot govern or manage and service to the country is suffering. It caused the first ever massive walkout of public servants in the history of this country and I say shame on it. The morale of the public servants is at an all-time low. Its harsh arbitrary treatment is causing the loss of competent people within the Public Service. This government cannot be trusted. It does not listen to the Public Service. It promised employees consultation on reform of the Public Service and instead it has shut them out and ignored their advice.

This government has acted in a high-handed and dictatorial manner—"my way or the highway". Public Service 2000 has proceeded on the basis of top down, heavy-handed dictates that are out dated and do not work.

Let the managers manage is a 1962 theme from the Glassco commission and this is 1992. This government is dismantling another of the institutions of Canada's nationhood. Just as VIA Rail, Air Canada, mail service and the CBC have helped build Canada, the Public Service has provided services to Canadians wherever they are and carried out the will of Parliament in all corners of Canada.

We on this side of the House believe that Canadians deserve accessible quality services, delivered efficiently by a professional non-partisan Public Service that treats all employees with respect and fairness and is responsive to the needs of Canadians.

On employment equity, the original draft of Bill C-26 contained a provision on employment equity that was so vague and discretionary as to be meaningless, requiring no accountability.

I support strong provision in the legislation committing the Public Service to employment equity and to accountability for treating all applicants and employees equally on merit.

I have spoken at quite some length on the importance of the Public Service and I know that probably most members in this House of Commons do not have the same interests as I do when it comes to defending the Public Service. Public servants are not just here in the nation's capital. They represent Canadians right across this country in small towns and in big cities. Wherever they are serving, be it here in the nation's capital, Victoria, B.C. or Vegreville, Alberta, Halifax or St. John's, Newfoundland, those public servants are providing a valuable service to Canadians and we should be proud of them and we should be protecting them because those same servants are there protecting our rights in their duties to us as Canadians in this country. I do not believe that Bill C-26 adequately serves the public servants in this country.

• (1410)

Hon. Paul Dick (Minister of Supply and Services): Mr. Speaker, I would like to ask the hon. member who has just spoken a very straightforward question because there has been some discussion about where the public servants are located in this country.

Would the member agree with me that about 30 per cent of Canada's public servants are located in the national capital region and that the other 70 per cent are actually located in all the small towns and villages, in rural areas and in other cities spread right across the country? There are actually only 30 per cent located in

the national capital region and the rest are in Halifax, Victoria and everywhere else in between.

Would that be about the right ratio?

Mrs. Gaffney: Mr. Speaker, I thank the minister for his question.

I am not sure of the exact ratio but I believe it is in that percentage range. We can speak about the importance of some aspects of public servants remaining here in Ottawa. There is a reason why they are here. It is because whatever particular department they are with it is obviously pertinent that they are serving a larger group of people in this particular area, just as it makes sense that somebody connected with the oceans branch should be connected to the oceans. Someone connected to the wheat branch should probably be close to where the wheat farmers are. I certainly recognize that.

I am not too sure about this latest one on immigration. I cannot for the life of me see a move—and the previous speaker spoke to this—to Vegreville, Alberta when many new immigrants who are coming to this country are settling in the provinces of Ontario and Quebec. This is where we have to serve those people. They want to come to these two provinces, most of the jobs I suppose are here.

In defending public servants, I am defending public servants right across the country to the minister. I think we should all be considering that when speaking on this bill.

Mr. John Brewin (Victoria): Mr. Speaker, first of all I did not have an opportunity earlier to make it clear to the member for Ottawa Centre who asked me a question in a circumstance under which I could not answer that I spoke earlier in the debate and strongly opposed the idea of establishing the particular immigration centre in Vegreville. As much as I have a great deal of respect for the citizens of Vegreville, it seems to me a backward decision and one that is clearly political.

My question for the member is simply what does she think of the contracting-out provisions of the legislation and the exclusionary provisions, especially applied to Treasury Board staff?

Mrs. Gaffney: Mr. Speaker, I am very concerned about contracting out. We have difficulty getting the figures to back this up, but from people I speak with in the Public Service, people are losing their jobs because their department head is telling them that their job is no longer necessary. The government, in turn, is turning around and contracting out that same position that was done in house by that certain government employee.

We have every reason to believe that it is costing the people of Canada far more money in contracting out and at the same time the people of Canada are not being served nearly as well. I am hearing this time and time again. We heard recently in the Auditor General's report that federal public servants were being given a pay-out and then were either being brought back into their job or they were being contracted out at great cost to the people of Canada.

Contracting out has its place, to the member for Victoria in answer to his question. In many instances it is not a cost-saving measure, it is at great cost to the Canadian people.

Mr. Eugène Bellemare (Carleton—Gloucester): Mr. Speaker, I was very interested in the speech by my colleague from Nepean and especially interested in the question that the Minister of Supply and Services asked the member for Nepean.

I would tell the member for Nepean that the figures given to her by the Minister of Supply and Services of 30:70 ratio were wrong. The ratio is not 30:70, 30 being in the capital and 70 being in the country, but rather it is 33 percent in the national capital region which is the Ottawa-Carleton area and the Outaouais area. This would be straddling on two provinces. The rest is not 70 per cent but rather 65 per cent. This is elsewhere in Canada, everywhere else in Canada. Also there are 2 per cent of employees working overseas in various aspects, for a total of 100 per cent.

He should also have told you that in each province, depending on its population, the Public Service has been divided proportionately. For example, P.E.I., which represents 2.5 per cent, has approximately 2.5 per cent of the Public Service employees.

The Liberal philosophy, and it has tried to follow that somewhat by the way it maltreats women in employment, has not looked yet at the aspect of improving the women/men ratio so that there is equality and pay equity. That is other information that he has not given you.

Mr. Blaine A. Thacker (Lethbridge): Mr. Speaker, I am privileged to rise this afternoon and address Bill C–26.

I want to say first of all that there is a myth across the country, and the country operates under all sorts of mythologies, that Ottawa is the fat cat city in that everybody in Ottawa is rich and they are all in the federal Public Service. We know that is not correct. It is roughly 30 per cent here and 70 per cent out across the country. That means probably 60,000 or 65,000 federal public servants in this whole Ottawa, Hull, Gatineau region, including Gloucester and Nepean, et cetera. The rest of them are out across the country.

It is also true that the number of public servants here in the Ottawa region is only about 15 to 19 per cent of the total work force here. The national capital region is becoming very much a high–tech silicon valley private industry place. That is quite encouraging. I am forever having to say to people in my own riding that Ottawa is not what they believe it is, there are very hard working and dedicated federal public servants we all deal with daily when we are pushing bills through the House.

Nonetheless, I want to also put on the record how very significant and important it is to have federal public servants in the small towns and smaller cities across the country. In the city of Lethbridge, for example, where I am from, there are 62,000 people. If we can get 25 or 30 additional employees, that means an enormous amount to the city and the stability of it. Federal public servants are paid well, whether you start at the secretarial level or the clerk level and you work up, compared with what equivalent people would make in private enterprise.

That is not true when you get to the very high levels of assistant deputy ministers and deputy ministers. They are underpaid compared with equivalent responsibilities in private enterprise. For example, take somebody in Shell Canada operating at a senior level. They make more money than an assistant deputy minister would here. For the most part, most public servants are paid better.

I am forever having constituents coming to me, whether they are doctors or lawyers or people in private industry, saying they cannot afford to pay a secretary because she can make so much more in the federal public service. What they do is act in a sense as a redistribution network as well where we tax everybody across the country and then the money flows back out through some federal public servant salaries.

Those 23 jobs in the city of Lethbridge are very important because those people are usually better trained than other people and they therefore get involved in a Kiwanis Club or a Rotary Club or a Lion's Club; they become part of the music festival, they become part of the theatre groups in the town or village or city and they add an enormous richness to our communities.

• (1420)

That, as much as anything else, is one of the impulses for taking federal public servants out of Ottawa. As my friend pointed out it has been done for years and years. Indeed the Liberals had a massive program of decentralization where some 15 sections were moved out, 14 of which went to the ridings of cabinet ministers of the previous Liberal government.

With respect to the immigration change to Vegreville, I must say Vegreville is a very nice town. The towns and villages on the prairies are under enormous stress because of the enormous move to microchip technology and bigger and better tractors and combines.

One option would have been to continue the past policies of the previous administration and just let them go out of existence. We have made a real effort to try and save some of the bigger regional centres. We know that just because there used to be a town every nine miles along the railway track to provide water and coal to the steam–engines that that can no longer prevail. Virtually hundreds and thousands of little towns and villages are disappearing. They simply have to disappear given the context of the economics and the way our system works today. We do not have steam–engines anymore and trains can go a long way.

We build these massive super highways and then we are surprised that people use them, getting in their big cars and driving to larger centres.

We are trying to move some civil servants to the larger regional towns across the prairies and indeed other parts of the country. That is why Vegreville was chosen. It will add an immense amount of economic stability to the region as well as some real skills. Whether it is in the arts or the sciences, it will help the school system. It will help

the churches. It will help every aspect of Vegreville to become a much more enriched part of this country.

Remember that it is the young men and women from many of these small towns and villages who go on to achieve great things in this country. It is because they have a school system which is large enough to give them a concentration of studies on science and technology and that is what we really need.

That is the argument for the decentralization. I have absolutely no criticism at all about the immigration department being concentrated in Vegreville. For the most part, those applications are paper applications in any event. A few years ago we moved the Department of Veterans Affairs to Prince Edward Island because most of those transactions are paper transactions. People looking at a piece of paper can analyse the case just as well, whether it is in Charlottetown, Vegreville or Toronto.

That is the way the country should work and that is the way it has to work if we want it to stay together.

That is not to deride what Ottawa had, but an enormous number of our national agencies were created and set up in Ottawa because it was the easiest thing to do. It was felt that people had to be near government. That is not true today with the absolutely incredible sophistication of satellites, telephones, fax machines and all of that. We do not have to have everybody in Ottawa.

Indeed, within the next 10 to 15 years probably as high as 30 to 40 per cent of the work force will be in their own homes using fancy connections into a head office somewhere by way of faxes and telephones and interactive television.

A lot of the high-rises in the big cities will become absolutely redundant. They will not be needed because we will all network through the towns and villages and that will make this country a much richer place too. Again a lot of the very talented, highly paid officials will be moved across the country and we will all be a much happier family when that occurs.

This bill is long overdue. The Public Service cannot be isolated from the massive changes which are flowing over us. The little microchip is the equivalent of the internal gas combustion engine which in its day replaced and displaced an entire economy. It is exactly the same as the steam engine in its day. It totally displaced an entire economy and way of life in favour of a new way.

Our brains and our whole thought processes change. We become different people when we move into that new paradigm. We are not there yet but we are in the process of changing. It is a very difficult and traumatic process of change for many people.

The fact of the matter is that a whole bunch of us in our age group find it very difficult to make that transition. Therefore that causes us uncertainty. It causes us concern.

The Acting Speaker (Mr. Paproski): Order, please. I could hear the conversation over on this side, but I cannot hear the speaker. Thank you.

Mr. Thacker: Mr. Speaker, I cannot attack the opposition over that because it was one of my own buddies over there. So I will be quiet about that.

As I said, the microchip is exactly like the internal gas engine in its day and the steam-engine in its day. It is causing the dislocation of many thousands of workers.

This past summer I toured through the maritime provinces. In New Brunswick I went through an old museum where it showed the number of people who were involved in a lumber mill operation in a town. It took 400 or 500 people to work that one little sawmill operation.

Then it showed as the technology came in first with the handsaw, then the buzz saw, then up into more complex pieces of equipment, and how the number of people required in that area dropped and dropped and dropped. The ultimate was one machine sitting across the highway. It would move in, grab a tree, cut it off at the bottom, saw all the branches off and cut it into 10 or 14-foot lengths, whatever it happened to be. Therefore the 400 people were not necessary.

That has happened all over. The problem is that the types of skills needed for this new economy are types which you and I do not readily have. In fact next week I am going to take three days to try and learn how to handle computers and word processors. I am scared to death about it because my brain does not work in the way it needs to work to handle that type of technology. Whereas my daughter and son having been raised with it, take to it like a duck to water.

The point I am making is that we need to have policies. I think we are working toward this albeit not as fast as some people would want to, but with very limited budgets federal and provincial governments are moving toward transition policies so that people can move from the old economy into the new.

For those who cannot make that transition, we need to have legitimate, decent and proper policies so they can live the rest of their days with respect and not have to go on to the dole.

Just as everybody else is having to move to that economy, so does the federal civil service. That is really what Bill C–26 is trying to achieve and in fact it will move some substantial distance toward it.

The federal civil servants I know, some in the senior management ranks and some below, when talking to them individually are pleased it is coming. They can see that they cannot be isolated from this broad wave that is moving in and indeed they want to play a role.

The ones I have talked to have always expressed regret that they came in with very good educations and were then put into narrow compartments where they could just move a little bit. They had no responsibility, no chance to be creative, and no chance or opportunity to take the consequences. They were prepared to be accountable. They wanted to have the responsibility and for that they would be accountable. This bill moves toward that in a substantial way.

I would like to end by simply reiterating how important these jobs are to the smaller towns and villages across the country. I hope we do not get into the situation of big city versus small town, Ottawa versus the rest of the country.

I have always stood up in my riding and defended the very high quality of federal civil servants we have. If we trust them and give them the responsibility, they will respond in kind. They will accept the accountability that has to come with this type of a system but at the same time they will deliver a much better product, much faster, much more efficiently, and much more professionally at a lower cost.

• (1430)

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, I would like to commend my colleague for standing up for his constituency and his community. Obviously, he knows quite a bit about what needs to be done in certain ways.

We do not support the approach of moving public servants from the national capital region to other parts of the country for political reasons. Nor do we support the fact that we just decentralize for the sake of decentralizing. In other words, you rob Peter to pay Paul.

We believe that we should be focusing on creating more opportunities all across the country. We do not have to take from one part of the country in order to satisfy another. We do not have to pit regions against regions. What we are interested in seeing is a creation of wealth and not a redistribution of wealth.

I want to ask the hon. member something along those lines. This is a non–partisan call on the government and on the hon. member to respond. Would he support the creation of an independent task force to look at the Public Service to find out whether we have a surplus or a deficiency in the Public Service?

The people I have spoken to are probably not the same people the hon. member has spoken to. All the public servants with whom I have spoken have told me over and over again that they need more resources. In other words, to lay off employees just for the sake of the bottom line is not helping. It is not helping. It is decreasing the efficiency and productivity of the Public Service. It is demoralizing the Public Service and it is not helping the public as a whole.

In many ways we may not have a different vision in terms of providing quality service to the public. I guess where we differ is when we say that we have a problem. We do not have enough public servants as it is. To hit them again and again with a two–by–four by decentralizing, downsizing and contracting out work that otherwise public servants could have done is not the right way.

Would he support such a task force? Would he call on his colleagues, for instance, to set up such a task force to look at the whole aspect of the size of the Public Service?

Mr. Thacker: Mr. Speaker, the truth of the matter is that I do not know enough about the topic to be able to answer that question. I am not a member of that

standing committee nor have I ever been on the standing committee that would develop some expertise. I trust my colleagues including members opposite who sit on that committee to make those types of judgment calls.

I would like to expand on his point about the creation of wealth. He was pointing out that our parties probably are not that different and I agree. It is probably a question of degree because if he were talking about the Liberal Party of the 1940s, 1950s and the 1960s we would be *ad idem* because our party was exactly like that. We believed there needed to be the creation of wealth and that creation of wealth had to be done by the private sector.

It was quite legitimate then, for government to tax a portion of that wealth back and redistribute it in terms of old age security, family allowance and people on social assistance. That was the proper role for government as well as to have some programs to direct industry and give it incentives to go into the have not regions of the country, if that is the proper phrase.

I fear, unfortunately, that the Liberal Party fell out of that. It got into an enormous taxing business but it was not creating the wealth. In fact, it was playing down the creation of wealth. Just for my friends opposite, if it were not for the national debt, we could actually have reduced taxes by $12 billion. Imagine what a $12 billion tax reduction would have done to this country.

Then we get back to the question: Why do we have the national debt? It was just that governments in the past spent more on people than they took away. We have not done that. For eight years we have taxed away $25 billion more than people have received by way of federal programs.

The $25 billion surplus normally would have been built up and used for diversification. Unfortunately, because of the huge national debt we were left with, it was all sucked up to pay interest on the national debt, plus more. If we could somehow get rid of this national debt, we could actually reduce taxes by $12 billion. It is an absolutely amazing thing. We cannot do it because of what we inherited.

We cannot be complaining about that forever. If my friend were to ask for a task force to take a look at this national debt, I think that is what we really need to put our brains to. Maybe it should have people from outside here, perhaps a royal commission even, to just look at the national debt and how we can handle it.

I know $22 billion is owing to the Bank of Canada. Maybe the Bank of Canada should write that off. There are many billions of dollars, which is a paper entry, owed to existing and future federal civil servants for their pensions. Maybe that should be handled in a different way. Maybe the national debt should be put into the hands of a Crown corporation or some corporation with outside boards of directors so that more than the GST could be directed to it.

I am sure with all of the brain power in this room that we could come up with some very creative ideas as to how to handle that national debt. Then we would have the operating budget on the side and we could honestly say to people: "We have got a surplus operating budget".

Hon. Paul Dick (Minister of Supply and Services): I realize, Mr. Speaker, that only one aspect of this bill talks about locating in smaller communities portions of the Public Service. As a form of a comment I must say that I support the fact that we have the Emergency Measures College of Canada in Arnprior, that the Cheque Redemption Centre was moved to Matane, Quebec, the former riding of Minister De Bane, the Minister of Regional Development, in the late 70s, that the Superannuation Branch was moved to Shediac, New Brunswick, which was the then constituency of Romeo LeBlanc, the minister of fisheries. I want to say that they are working very well in those areas.

I also want to say that for your social insurance number, you have to go to Moncton, New Brunswick. Of course, we moved the GST into Summerside.

Those are examples of how I think it is very well that other parts of the country have shared in Canada's public service. Those are good examples of sharing across the country. I am sure that Vegreville will fit in with those small communities and be an excellent centre providing excellent service.

[*Translation*]

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, when we were presented with Bill C-26, of course we had many concerns. Hon. members opposite seem to be saying that their way of managing the Public Service will do nothing to hurt morale among public servants. That is far from true. I believe that their attempts to move

departments blindly throughout the country are motivated only by political reasons.

I will stick to Bill C-26 and summarize the most important concerns not only of federal public servants but especially of those in the national capital region who have been established here for a long time and are making their careers here.

Essentially, the Liberal Party has always maintained the merit principle. It opposes any effort by the present government—and I will give it the benefit of the doubt—that would lead to favouritism and patronage, which have existed and still exist. That is the danger.

My colleague from Carleton—Gloucester pointed out the most blatant features of Bill C-26 when he said that the Public Service Commission's credibility is very much called into question, since the government and the commission itself admitted that clause 10(2) should be subject to certain conditions because of the potential for abuse. That is where the danger lies, because the risk still exists.

I find that the risk in the proposed changes is very great.

• (1440)

The bill lets managers select the candidate and examine his qualifications instead of judging among the candidates. But that is not what they do. Essentially, they say to themselves, for example, that five out of seven candidates qualify under the new public service regulations. So it is still up to the manager to decide who should fill the position. Of course that opens the door to abuse. Now if there is one organization that should ensure that there is no danger of favouritism and abuse and eliminate this danger beyond any doubt in employees' or public servants' minds, it is the federal government.

How do you expect employee morale, which is extremely vital for the administration and operation of government, to be good? Basically, of all institutions in the country, whether they are in the private sector or not, the government should set an example. This bill should rule out favouritism and patronage, as much as humanly possible, but we do not find any such measure in Bill C-26. That worries us tremendously.

The Public Service Alliance and the Professional Institute of the Public Service are right to be concerned. That is why I fear that the laudable efforts of the opposition, the Liberal Party in particular, will come to naught with these future changes, because the risks are too great with this bill and there will be difficulties.

I just wanted to take these few minutes to say that if they do not want to accept the opposition's amendments, we are inclined to believe that they are acting for reasons we do not like. Government employees have reason to be concerned and it is not surprising that these employees' morale has been affected.

It is never too late and I hope that the government will realize that what it is doing here will create problems rather than solve them. And if there is a time when we could do without problems, it is now.

[*English*]

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I listened with a great deal of interest to my colleague as he was addressing the whole question of merit principle and how one would approach the temptation that is put in front of us for the potential for cronyism and for the potential—I was going to use the word nepotism; it is not nepotism in the true sense of the word—opportunity to misuse one's office and one's ability to choose and to make selection because the temptation has been put before you because there is not a project, a bill that specifically frames the kind of principles that you would need to assure that where that temptation is put before you, abuse will not occur and the perception of misuse does not occur as well.

This is what I wanted to ask the member. What we are trying to do is to effect the cultural change in the mechanism in which the Public Service would operate. I would hope that like most people, the appreciation for the role and the function of the Public Service is equally important for Canadians as is VIA Rail and air transportation and all the other things that have been damaged by the Conservative government.

Is it your view that there was permanent damage done that (a) led to the first real major strike and (b) by the Al-Mashat affair that you now have the civil servants being the butt and the catch-all for problems out there when really the problem is the conduct of our political people rather than the civil servants themselves?

First of all, you have a lack of trust that has—

The Acting Speaker (Mr. Paproski): The hon. member for Gatineau—La Lièvre, I will let you finish your question.

[*Translation*]

Mr. Assad: Mr. Speaker, it is a fact that the risk of abuse rises spectacularly if the temptation is there. I believe that is what has happened in the past. That is what contributed to a drop in confidence within the Public Service and morale was affected. We could talk about it for a long time because so much has happened to show the weakness and the danger in all that. Yes, that has contributed to it and that is what we must try to eliminate as much as possible. We do not say that everything can be eliminated, right down to the smallest suspicion, but perception is important and we must show that it is humanly possible to reduce the risks to the lowest level possible.

[*English*]

The Acting Speaker (Mr. Paproski): It being 2.45 o'clock p.m., pursuant to order made Tuesday, June 23, 1992, in accordance with the provisions of Standing Order 78(3) it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the third reading 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): Pursuant to Standing Order 45(6), the recorded division stands deferred until six o'clock Monday, November 30, 1992.

May I call it three o'clock?

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): It being three o'clock, pursuant to Standing Order 30(6) the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

YOUTH EMPLOYMENT PROGRAMS

GOVERNMENT FUNDING

Mrs. Beryl Gaffney (Nepean) moved that:

in the opinion of this House, the government should restore funding at least to the 1989 level to all government youth employment programs and spread the funding in a fair and equitable manner to all federal ridings.

She said: Mr. Speaker, many different segments of the Canadian population have been adversely affected by the policies of this present government. Indeed, with the exception of the wealthiest Canadians and the personal friends of the Prime Minister, and those who are part of the latter group always seem to be part of the former, it is difficult to find a group which has benefited from eight years of Conservative government.

I want to take the opportunity this afternoon to discuss a group of Canadians who have certainly not benefited from this government and who are so often forgotten yet are so vital to the future of this country. In fact, they are the future of this country. They are our young people.

The motion I have put forward and which we are debating today states, and I quote:

That in the opinion of this House, the government should restore funding at least to the 1989 level to all government youth employment programs and spread the funding in a fair and equitable manner to all federal ridings.

Education is the cornerstone of our country. As Benjamin Disraeli wrote in 1874: "Upon the education

different today than they did in 1874 and I do not think anyone in this House will refute this claim. Yet, this present Conservative government has spent the better part of eight years hacking away at the programs set in place to help our young people attain an education which will in turn enable them to get into the work force and make a valuable impact on Canadian society. The link between education and employment has long been demonstrated. Nearly two-thirds of all new jobs created between 1992 and the year 2000 will require at least 12 years of education and training, and 40 per cent will require more than 16 years of education.

• (1450)

Despite the evidence of the link between education and employment, the government has maintained policies which foster unemployment and increase the cost of getting an education. This makes education increasingly inaccessible and compounds the long-term crisis in both youth and adult unemployment.

Despite the aforementioned correlation between education and employment, the Conservative government has reduced its contribution to education funding on a number of occasions and in a number of areas. By cutting the rate of growth in transfers to the provinces for post-secondary education under the Established Programs Financing, the Conservative government will cause a cumulative loss of $9 billion between 1986 and 1994.

We heard this morning from the province of Ontario, which had the highest rate of youth unemployment in this country this past summer, that it can no longer afford to grant moneys to students or to increase funding to hospitals, educational institutions and municipalities. The two main reasons are that there is an NDP government that does not know how to govern and this federal government has not seen fit to provide the necessary funding to the province.

The negative effects of youth employment are compounded by the increased costs of education, which include higher tuition fees. The higher costs are due in part to cutbacks in federal support for education and the application of GST on books which is absolutely shameful. As a result an increasing number of students must now work while still in school. Between 1980 and 1990 the proportion of full-time students who were employed increased from 29 per cent to 41 per cent. These were students who had to be employed in order to complete their education. This has an adverse effect on the quantity and quality of time these students have to devote to their studies.

While many young Canadians are reeling from the effects of the higher costs of education and high unemployment due to the recession, the Conservative government continues to cut back on student employment programs.

Between 1985 and 1991 funding for the Summer Employment Experience Development, SEED, component of the Challenge program was nearly cut in half, going from $149.5 million to $80 million. The SEED program was implemented to provide career and study related work experience while enabling students to cover some of the costs of their education.

If I could be more specific I would like particularly to speak about the city of Nepean briefly. I was elected to this prestigious place in 1988. In 1989 the government allocated $123,000 in SEED funding to the riding of Nepean which I represent. In the following two years it was cut from $123,000 down to $21,000. How many students can be hired for $21,000? I am only talking about one riding out of 295 ridings in this country.

The budget of SEED was increased slightly by $3 million this year, yet in the national capital region—and I move away from Nepean to talk about the whole of the national capital region—according to the government's own figures the budget for SEED was reduced from a 1989 level of $1.4 million to $425,000 in 1990 and 1991. If we look at certain ridings in this country we see that one riding may receive $425,000. I am talking about all the national capital region, both sides of the river. We are probably talking of between 15 to 18 ridings: $425,000. If one thinks Ottawa-Carleton, the nation's capital, is not being penalized, I say we are. This amounts to a 70 per cent reduction.

The total Challenge budget fell from $205 million in 1985 to $143 million last year. The total numbers of jobs created under SEED fell from 94,115 in 1985 to 53,806 in 1991. As a result this program has failed to fulfil its original mandate. Growing student debt loads illustrate this point.

As a result of the cutbacks to SEED my office was inundated with calls and letters from students desperately searching for summer employment. Unfortunately, as the chairman of the Ontario Students Federation said this past September, many university students will have to drop out because of near-record student unemployment. Statistics Canada said 254,000 students were unemployed this past July, almost half of them Ontario residents.

This past summer's unemployment rate for students aged 15 to 24 averaged 17.9 per cent. That is the nation's average, 17.9 per cent and the province of Ontario's average was 20.3 per cent. Almost 97,000 students—11,000 more in this past summer—applied for assistance from the Ontario Students Assistance Program.

Unfortunately the attack on students by the Conservative government is, like most actions it undertakes, short-sighted. Spending money on our young people is an investment in the future.

The Association of Universities and Colleges of Canada stated that Canada's foremost assets in the future will be its human rather than its natural resources. Lack of support for students as well as lack of support for knowledge intensive industries may very well prove to be the most damaging effect of the Mulroney government's preoccupation with allowing market forces and market forces only to dictate Canadian economic policy.

When we talk of Canadian economic policy we must insist on talking about competitiveness. My colleagues on the other side of the House use this word at every opportunity: competitive this and competitive that. Unfortunately once again their rhetoric is only surpassed by their inaction. The World Economic Forum reported last year that of the 23 OECD countries Canada ranks 17th in over-all research and development efforts. This is a drop from 10th place in 1986. In future orientation which heavily reflects research and development performances Canada fell from 9th spot in 1986 to an abysmal 16th place ranking.

These statistics clearly underline the fact that the Conservative commitment to the principle of competitiveness they claim to be their trademark is unfortunately a sad joke.

Canada's research and development has deteriorated under this Conservative government. I do not know how much longer Canada can take that kind of competitiveness. Economic competitiveness is not like the Olympics and maybe the government thinks it is. Baron De Coubertin, founder of the modern day Olympics, used to say that it is not the winning that matters but the competing. Fine words but they do not encompass world economics.

The government must wake up to the fact that it is not just about competing and finishing wherever; an effort has to be made to finish first and that is competing. This government seems to be content with being in the arena to watch the real players go at it but we need to get involved.

If we are to make Canada more competitive with the U.S. and the global marketplace we must support our colleges, our universities and our young people. We must make a firm commitment to extra financial support for research and development activities within our colleges and universities. These are surely the cornerstone of a competitive society.

It takes commitment: commitment to our colleges and universities, commitment to our students. If this government is not ready to make a commitment to these things then it should commit itself to calling an election and let Liberals implement the policies. Canadians are truly committed to principles of education, of employment and of opportunity.

• (1500)

I thank you very much, Mr. Speaker, for the opportunity to present this motion in the House today.

[*Translation*]

Mrs. Nicole Roy-Arcelin (Parliamentary Secretary to Minister of Communications): Mr. Speaker, according to a motion from the opposition: "—the government should restore funding at least to the 1989 level to all government youth employment programs and spread the funding in a fair and equitable manner to all federal ridings."

Such a motion is far from the reality and I would like to take this opportunity to show that, on the contrary, since the implementation of the Labour Force Development Strategy, this government has never stopped adjusting its programs, based on the changes that occur among young people as well as among the national and international working communities.

During the fiscal year 1991–92, we spent $216 million on various programs for young people. This amount is in addition to the other funds allocated to the Canadian Jobs Strategy, of which half the beneficiaries are also young people. We do our very best to help those young people improve their chances of finding a job and prepare themselves to enter a learning culture in which they will have to continue, throughout their career, to renew their knowledge and their skills.

In 1991, the government allocated $80 million to the Summer Employment Experience Development component of the Challenge '92 Program, which is a summer employment program for students. In August 1992, this amount was increased to $85 million. I should point out here that when allocating these funds, we take into account the unemployment rate of the various regions of the country. The Challenge Program was developed to encourage employers to create jobs and help students gain practical experience. The goal of this program is to help young students gain professional experience and develop their knowledge, especially during the summer months. The program is particularly targeted to high school students, since they have more difficulties finding summer jobs than post-secondary students.

The Summer Employment Experience Development Program provides subsidies to employers who create summer jobs that enable students gain useful experience and be better prepared for their permanent job.

In 1992, we have encouraged, through the SEED program, the creation of jobs that are directly related to the interest shown by the government in issues such as drugs, alcohol and illiteracy, as well as information on AIDS, the environment and urban crime. We have also paid particular attention to the young people who belong to visible minorities or are members of aboriginal or handicapped groups.

We must also mention the Student Business Loans Program, which enables students who have original and innovative ideas and projects to create their own summer jobs. In 1991–92, the budget for this program reached $800,000, and it was the same for 1992–93.

On October 29, 1991, the Minister of Employment and Immigration tabled in the House a document entitled: "Learning Well. . . Living Well". This document presents some of the challenges that await Canada in the nineties, regarding learning. It puts the accent on a learning culture for the Canadian society as a whole, especially in the work place.

Mr. Speaker, as you know, Canadians and especially young Canadians, need to acquire the specialized skills necessary for numerous career changes, because they will have to make such changes several times during their life.

The document tabled by the Minister of Employment and Immigration is geared to the development of a learning culture. Our learning activities must be planned as seriously as our vacation. We must invest as much in the constant updating of our knowledge as in the maintenance of our homes. Employers must spend as much time on the development of their human resources as they do on the development of a new product. We must create at home an environment that is conducive to learning.

Mr. Speaker, on October 29, 1991, the Minister of Industry, Science and Technology tabled a document entitled: "The Prosperity Initiative". What are the objectives of that initiative? They are to cut illiteracy rates in half; to ensure that 90 percent of Canadians attain high school diplomas or the equivalent; to double the number of post-secondary graduates in mathematics, the sciences and engineering; and to quadruple the training provided by employers to their employees, new and old.

To achieve these goals in an effective and realistic manner, we must bring about sound consultations and an efficient standardization of our work processes and evaluation criteria. We must set practical goals for the education and vocational training system in Canada.

If we are to develop a learning culture that will last for a lifetime, a correlation must be established between learning and school and on-the-job training.

If we want our children to be able to compete abroad as well as at home, we must better prepare them to enter the labour market. Finally, to ensure our prosperity, we

must find incentives for our children to get into maths and science.

As part of this Prosperity Initiative, we are proceeding to nation-wide consultations on knowledge and training.

Education officials will participate in these consultations which will foster honest and open discussions on national goals to be achieved. By the time all these meetings have taken place, between 150 and 200 communities will have been consulted across the country on the issue of education and job readiness training. If we can see all sectors work together in new strong and efficient partnerships, it is thanks to co-operative education.

This action plan calls upon all levels of government, the private sector, labour, teachers as well as the general public. A number of themes are already emerging from the consultations I just mentioned, such as the search of excellence and results; a collective commitment for ongoing training; continued efforts to provide access to learning to every one; a better choice of study periods, teaching methods and educational tools; sharing new responsibilities and creating new partnerships.

The first thing we must do is to convince school-going Canadian children, especially those in high school, to stay the course at least and even to go further, particularly in the fields I mentioned earlier. That is what the Stay-in-School initiative is about, to encourage them to stay the course.

Launched in 1990, the Stay-in-School initiative is designed to reduce the drop-out rate and encourage students to remain in school. It is administered by Employment and Immigration Canada. In Quebec only, $3.2 million will be spent. The national budget was over $46 million for 1991-92, and over $73 million for 1992-93.

Some 140 projects in Quebec only were submitted in 1991-92, and government is constantly stepping up efforts to get the industry and academic sector to get into new youth training partnerships across the country.

Stay-in-School is a five-year program with three parts or main objectives. First, to provide financial support for a number of initiatives designed to encourage students to stay in school.

Second, the program seeks to involve the labour movement, business people, educators, parents and students alike in helping to find better solutions. The workers, their employers and other stakeholders have new agreements that allow the workers to upgrade their skills and to contribute more directly to the success of their firms.

Third, Stay-in-School is to create public awareness on the social and economic impact of dropping-out. In that area as in others, information is the key.

Government also reviewed the Labour Force Development Strategy. By modernizing its approach, it has refreshed its workers' programs. There are interesting prospects for young people with training problems in the Strategy.

All those concerned must take the steps required to ensure that the Canadian labour force adapts without further delay to modern requirements. Schools must unavoidably be involved, given the future of the next generation is at stake.

We have also expanded our programs and services to young Canadians yet further. We are allocating new resources to mobilizing business, labour, educators and provinces. We promote dialogue and urge all stakeholders to help us develop the most relevant and consistent solutions nation-wide.

• (1510)

We have developed an information program in order to heighten public awareness of the school drop-out problem. One of the main purposes of that program is to make people understand that we cannot put aside the economic realities of our world. Like it or not, we are now part of a global economy and we are going through a phase of technical and social turmoil that affects us all.

The individual, the company or the country that would refuse to adapt itself to this changing environment would be irremediably lost. Our way of life and our growth are closely linked not only with our working capacity, but also with our capacity to constantly keep up to date.

As we approach the 21st century and try to take our place in the economy, our government acknowledges the importance of education, professional training and retraining.

In that perspective, we have formed new partnerships with industry and labour, with the education and social services sectors because we want all Canadians to be aware of the greatest challenge of these times, that is the necessity to develop our human resources according to the rules of modernity and for the benefit of modernity.

Those countries which are successful today, those that will be tomorrow, share one common characteristic: they value knowledge. They also value continuing education, that is a learning and training that goes on for all your life.

Departments must also publish, in various shapes and forms, the information and data that young people need to stay in school and to choose a career. The government is striving to make sure that the sums allocated to the training and employment of young Canadians be distributed according to the decisions and priorities expressed by the people themselves simply because it must answer these very fundemental needs.

[*English*]

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I would like to begin by congratulating my colleague from Nepean for putting this motion forward. When we see what is happening in our country today with our youth and the desperate situation in terms of employment opportunities, she is to be congratulated. The only problem we have with this motion, such a good motion, is the fact we only have a short time to debate it.

This is the kind of motion on which, I am sure, all members would agree we could carry on a productive, constructive debate for hours and hours.

I want to begin my remarks by referring to a report that was produced by my colleague, the hon. member for York North, who wrote a report on youth issues, "Background Information", in August 1992.

I want to refer to section 4 in this report because it deals specifically with literacy training. I am quoting from his report: "In February 1988 the Canadian Business Task Force on Literacy reported that the annual cost of illiteracy in the work place is roughly $4 billion. This is due to lost productivity, accidents and the necessity of increased supervision. The total social cost of illiteracy is estimated at $10 billion annually."

I refer to that specific part of the report because in my city, Toronto, close to 20 per cent of the youth are unemployed right now. I do not think we have ever had a situation like that in the city of Toronto. I realize that the national average, 17.2 or 17.3, is very high. However, in the city of Toronto when we talk about 20 per cent youth unemployment, we are talking about a real crisis.

The desperate situation that develops when we have that high a number of youth unemployed is so important to focus on, because it affects stress in families, it affects our crime statistics, it affects our statistics relating to the drug problem that we have in our city.

I listened quite carefully to the member opposite. I would not criticize any of her remarks. I think all of the programs of government that we heard the member put forward today are good programs. It is a good effort but it is just not good enough.

The point of the motion of my colleague from Nepean is that we have to restore the funding levels that we had in 1989 to this specific area of the budget. We are not putting money into a black hole when we put money into youth programs. We are putting money into an investment that is going to pay incredible returns over the long haul.

Again, I want to refer back to illiteracy. There is an organization in our city called Frontier College. By the way it is a Canada-wide institution. It is a volunteer organization based in Toronto. It is a literacy organization. It teaches people how to read and write. It has an outreach program.

This is an instrument that the Government of Canada could be supporting, that could put tens of thousands of our young people to work. It could put them in literacy courses, helping to train others to learn to read and write. This type of action is not only a productive and positive experience for our young people but it also addresses support and assistance for those older people in our community who are still able to serve in the work force.

The Minister of Industry, Science and Technology talks about his competitive strategy. Here is a terrific opportunity. He could take the energy of the young people of our country and target it into a very specific exercise that not only puts these young people to work, but also gives them a productive exercise in terms of helping to train the others in our society that are illiterate. It will serve all of us as a nation once they are brought back into the work force.

This government, and it is consistent on this, sees the deficit and debt and does not realize that as it cuts, it is actually exacerbating the situation. In the area of youth unemployment, it has good programs in place, there are good instruments out there, but it is not putting up the necessary funding.

The Minister of Finance said earlier today during Question Period that he was preparing for a debate on the economy next week.

• (1520)

He challenged us on this side of the House to put forward ideas where Canadians would support a constructive use of tax dollars. I am absolutely convinced that the Government of Canada next week should put large sums of resources targeting specifically the youth unemployment sector of our nation; not just throwing money at them, but giving them a very specific function.

I can remember back in late 1969, the early 1970s when Senator Hebert did the Katimavik project, a solid project where young Canadians interacted and did great work all across the country. They were not only productive in terms of their own self-fulfilment but they made a contribution to the community.

I would appeal through you, Mr. Speaker, to the government to come out strong on this and put money in support of the youth of our country. Restore those funding levels that my colleague for Nepean has talked about in her motion today and within that spectrum of youth support, put a very special focus on literacy.

I am sure if that is done that this side of the House will applaud that initiative.

Mr. Dave Worthy (Parliamentary Secretary to Minister of Public Works): Mr. Speaker, I am pleased that the member for Nepean actually put this motion to the House. I believe it is a sincere motion. The substance of it dealing with the young people of this country is critical to all of us.

As the previous speaker indicated, it is not one that is limited to one party or the other. It is one that all of us not only would like to debate, but one that all of us would like to find some answers to. It is a terribly serious problem. To show the diversity of it, the mover of the motion is from Nepean. She represents these people basically and she talked a lot about Ottawa centre. The previous speaker talked about Toronto, the biggest metropolis we have in Canada. We had a speaker from Quebec indicating some of the unique situations there.

My riding of Cariboo—Chilcotin is unlike any of them. It is a huge area, 60,000 square miles of beautiful land that is sparsely settled, two and one-half square miles per family. Some constituencies in Canada are less than two and one-half square miles. This is what I have for each family in my constituency.

If there is a common theme from all of the ridings represented so far in this debate, it is that of our young people and the need for their education and to ensure that they do have a meaningful future through education.

I have a terrible concern. I have expressed it a number of times. The problem of not having sufficient work for the young people has gone beyond being an economic problem, it is quickly becoming a social problem. We as the Government of Canada and the governments of the provinces have to address that situation and find solutions.

The motion indicates that we should restore funding to at least the 1989 levels. That in itself I do not think is sufficient. That was the intent that she intended. She argued that there should be increases in certain areas.

When I compare the expenditures and take all of the programs for the young people and pull them together, the levels of 1989 and the levels of last year and in fact this year have gone up. There has been nearly a 15 per cent increase over those years. Some have gone down and the hon. member has addressed those. Others have gone up. Some of those which have gone up are extremely important. The key element that the government has had to face is that of finding a balance between the resources that we have as a nation and the needs of the young people of this country, the future of our country. One of the areas that has taken the greatest increase, a huge increase, and I argue a very necessary increase, is that of addressing the young people that have dropped out of the school system. Our efforts are necessary efforts to get them to stay in school or to get back in school.

When I look at those numbers briefly, as a country we are in the neighbourhood of 30 per cent of our students dropping out before they have completed secondary school. There are some provinces that are better than 30 per cent, others are poorer than that, and a few in fact,

the Northwest Territories and the Yukon, up to 60 per cent. In the riding I represent it is a very high number.

In my opinion the emphasis that has been taken by the government has been a very appropriate one. It is absolutely essentially, not only for the young people but actually in terms of if you spend your dollars wisely, that is where they will go.

We had a group testifying in front of one of our committees last week which made the point that some of the people in poverty now that were not able to get their education when they were young require not months of retraining to enter the work force, but years of training. The cost to young people later in life to try to get them back into the work force is a quantum difference between the cost of trying to keep them in now. If we can do anything to keep them in now, it is worth while.

The Conference Board of Canada recently did a study of the drop outs in 1989. There were 137,000 young people that dropped out in 1989. The cost to Canada over their lifetime will be in excess of $4 billion.

The Minister of State for Youth in a statement recently put it as well as you can: "Education has a higher rate of return than almost any other alternative investment both for young people and for society".

There is an interesting number in terms of the need for these young people for training. Two–thirds of jobs created in Canada during this decade will require workers to have more than 12 years of education and training and 40 per cent of those jobs will require at least an additional five years of education beyond that.

If these numbers were not enough to convince me of the need to address it, as a drop–out I say to the students across Canada that are contemplating leaving school, do not do it. I was one of those that left school with just grade eight education. I did make out. I wandered around for several years and had several different jobs. I was terribly fortunate. I found my way back into school and subsequently completed university and ended up in this esteemed House with my colleagues. I was lucky.

I see some of my associates who in those days quit school at the same time and they did not make it. I can tell you that their life is not good. I can honestly say when I see people that are in a drop–out situation I think there but for the grace of God go I.

One of the programs, and it will be the last one I talk about before I close, is one of those that has been used to address the problem with our drop–outs in our society. It is the WOW program leading to SEED. It has in fact achieved significant increases in budget over the years.

Yes, we put the money there but does it work. I can tell you it is working in my area. I have a letter from a co–ordinator of a program addressed to me recently that is indicating the results of the WOW pilot project evaluation are complete. The response has been overwhelming in favour of continuing the program.

They go on to indicate that the pilot project program has been very successful in achieving its goals and objectives.

• (1530)

Of the employers surveyed, 87 per cent rated the program as good or excellent; parents, 93 per cent; students, 96 per cent rated the program as excellent. They go on to say: "I can assure you that all the results indicate that the program has been exceedingly worth while in motivating and redirecting the risk and drop–out students to continue their education".

A student from this program wrote to me: "It has taught me how to get a job and why school is important. The real world is not as easy a place to be in as I thought it was, but the WOW program sort of gives you a few extra bars to climb up the ladder. Right now I am going to go back to school and finish my education".

Another one wrote: "I was sitting at home doing nothing but partying a lot because I did not know what I was going to do with my life. I was scared, but the WOW program opened new and different doors for me and taught me that life was not a big party. I believe this program has helped me".

It is these that indicate to me that as a government, as a people of Canada, in spite of the fact that we have extremely tight restraint limitations on us now, the onus on us is to spend those dollars wisely, to allocate the resources that we have for the training of youth. There is a huge need. The funds are limited. We have to use them wisely and pray to God that we can find more we can

allocate to this cause. If anyone deserves more dollars if we can find them it is the young people of Canada.

Mr. Maurizio Bevilacqua (York North): Mr. Speaker, I would first of all like to congratulate the member for Nepean for having taken the leadership role in bringing about this motion to the House of Commons. She obviously understands and has an appreciation for the crisis that young people in this country are facing.

I had the privilege in the past year to travel throughout Canada as the co-chair of the Senate/House of Commons committee on youth. I can tell you that as I travelled across Canada, going to every province and the Northwest Territories meeting hundreds of Canadians, both young people and also those individuals in this country who are concerned with youth issues, I saw a sad reality, the marginalization of young people that is taking place in this country.

It is dangerous. We met with teachers, students, fishermen, farmers, police officers, people who run drop-in centres, representatives of aboriginal groups, multicultural groups. Through those meetings we learned a great deal about the state of youth in Canada. It is quite bleak.

Everywhere we went, whether it was to Moncton, Quebec City or Edmonton, the message was always the same: young Canadians have no confidence in their future. Young Canadians, their parents, their teachers and people in youth serving organizations all look to government for leadership.

Unfortunately this government has turned a deaf ear to their concerns. In the past two years our youth have struggled alongside other Canadians through the worst economic recession in memory, while the government cannot shake off its obsession on inflation and in the past on the constitutional deal.

When we speak about the future, when we speak about the concept of global competitiveness, getting Canada ready for the 21st century, it cannot end just with the rhetoric. What we need are programs that are going to address the specific concerns faced by young people. What is amazing about our country is that we set goals to achieve greater economic heights and social justice. We always strive toward building a fair and just society. Unfortunately, this particular government is not providing the tools, the vehicles of opportunities for young people to achieve those ends.

We in this country today face a severe crisis. Thirty per cent of our young people do not finish high school. They are high school drop-outs; 100,000 every year and one million in a decade. This should sound an alarm bell to this government to clearly understand that if it is serious about restructuring the economy, about meeting the challenges of the global market, then it must also be serious about developing the type of human resources required to bring about the positive changes in the structure of this economy that will result in prosperity for Canadians.

This past summer I met with many students that wanted to continue their post-secondary education but were denied that vehicle of opportunity by this government. In the past eight years it has literally taken away thousands upon thousands of summer jobs that would give ability to these young people to continue their education.

Once and for all the Conservative government must understand that the pillars to global competitiveness, to restructure our economy and bring prosperity to this country are education, training and research and development. Closely tied to these three issues is our ability to enhance our human resources. Young people are sick and tired of listening to this government's rhetoric about how young people are the future of this country and how this generation of Canadians depends greatly on their ability to carry the torch in the future.

I am telling you, that is not going to be possible unless this government really takes its responsibilities seriously and realizes that we must look at alternative ways of training our young people. We do not hear anything from that side about a serious approach to a national apprenticeship training program. We do not hear anything from the other side about a serious approach to co-operative education. We do not hear anything about youth programs, such as we had in the past, like Katimavik, a program that gave hope to so many young Canadians. That has been scrapped in the name of fiscal restraint.

There is also going to be a time when Canada will have to address not only the financial deficit but the human deficit this particular government has created. Perhaps programs, not necessarily like Katimavik, but programs that will relate to the present reality we now face have to

be looked at. That is the only way we will bring about the positive change Canadians and particularly young people are asking for. From that side of the House we have heard: "We have to cut the SEED program. We have to deny young people jobs in the summer to continue with their education. We have to cut federal transfer payments that go toward post-secondary education and also deny them that opportunity".

• (1540)

I do not understand how the government thinks we are going to build a prosperous future if we do not invest in people. It is about time that we as the House of Commons start dealing with the real problems of real people. It is about time that this government realizes it must start putting people first and abandoning some of the agenda that has driven this country into one of the worst economic recessions in modern times.

Perhaps I can briefly summarize. I have travelled throughout Canada to listen to what young people had to say. The common theme was that they were discouraged and demoralized about the prospects for their future. They felt that this government had not given them the proper vehicles of opportunity and they want change. This change will be brought about either through some progressive measures that the present government must undertake, or I promise young Canadians that when we form the government positive change will occur for them.

[*Translation*]

Mr. Jean-Luc Joncas (Matapédia—Matane): Mr. Speaker, what surprises me in that motion is that the government has done a lot more than what this motion is asking for.

During the few minutes that are left, let me put this debate in context and describe for those who seem to know nothing about them, the many concrete and practical measures taken by this government to deal with this global issue of training young Canadians and putting them to work.

The nation is increasingly concerned about school drop-outs and wants to know what is being done to slow down this process. At the national level, 30 per cent of high school students drop out for various reasons ranging from lack of interest or success to the urge to earn money as quickly as possible.

In the province of Quebec, rates are even more alarming at around 36 per cent for the general population and 42 per cent for male students.

The school drop-out is often a child or a teenager who feels lonely or isolated from society. He does not talk about his problems with his parents or his teachers. One day they realize that he has dropped out and it is already too late. Deprived of support, our youth often become the victims of a society unable to provide the climate necessary to acquire the skills required for a bright future.

It seems to me that we should do the opposite with our human resources. Given the changes which are occurring in the technological world and in the industrial sector, we need more and more highly skilled workers. In an increasingly global economy, Canada will have to compete harder for the next few decades and must prepare for that.

The best way to prepare for a prosperous future is to make sure that our labour force will be able to meet all the challenges facing us. It is therefore by staying in school that our youth will best learn how to prepare for their future obligations.

We are well aware that at the end of this century and into the next, Canadian workers will have to have at least a grade 12 education to hope to find a job to their liking; and sometimes they may even have to stay in school for 17 years. We also know that they will have to retrain more than once throughout their careers in order to satisfy the new market requirements. Their jobs will be increasingly technical and will require not only some general knowledge, but also certain specialized skills. The federal government is well aware of its responsibilities in the matter and has implemented a series of measures to encourage young people to at least finish high school.

The government launched the Stay-in-School initiative in February 1990 in order to try to bring the drop-out rate down and to encourage youngsters to stay in school. Created by Employment and Immigration, this program will have spent more than $46 million in 1991-92 and the figure should be well above $73 million for 1992-93.

Quebec submitted almost 140 projects for 1991-92 and our government is increasingly trying to establish partnerships with industry and the education sector in order to achieve better training for our young people. Labour will also have to be involved. We can already see the day when training will be a priority in our culture and when

our labour force will be on an equal footing with the other developed countries of the world.

It is a challenge; that is the key word in this issue and we have put it at the very heart of our initiatives. The sums allocated by government for the training programs, the work orientation programs, the bridging programs, the employment and labour force re-entry programs form a varied and tightly strung network which we modify according to need. It will always be a priority.

The funds spent by government in that area are distributed in such a way that both objectives, that is that our youth stay in school and that we have a highly qualified work force, will be reached in the short and long term. It is vital for our social stability and for our economic prosperity.

[*English*]

The Acting Speaker (Mr. Paproski): The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96(1) the order is dropped from the Order Paper.

It being 3.47 p.m., the House stands adjourned until Monday next at 11 a.m., pursuant to Standing Order 24(1).

The House adjourned at 3.47 p.m.

HOUSE OF COMMONS

Monday, November 30, 1992

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*English*]

FINANCIAL ADMINISTRATION ACT

MEASURE TO AMEND

Mr. Rex Crawford (Kent) moved that Bill C-301, an act to amend the Financial Administration Act (financial administration), be read the second time and referred to a legislative committee in the Economics envelope.

He said: Mr. Speaker, it gives me great pleasure to rise this morning to lead off Private Members' Business hour. We are here to discuss Bill C-301, an act to amend the Financial Administration Act. It is a bill that I thought would never see the light of day, just like many other very worth-while private members' bills that have great merit but did not get the luck of the draw.

I am very proud of this bill. I am in this House as an elected member of Parliament to duly represent the great people of Kent. It is their views, opinions, ideas and concerns that Bill C-301 expresses as legislation. This bill is in direct response to the concerns of my constituents. That is my job. I listen to the grassroots, and this bill is a concrete example.

A consistent theme in most every piece of correspondence I get is that people are tired of government spending that gives no thought whatsoever to the average taxpayer. They are fed up with paying taxes, while the deficit goes up and the debt soars. These letters from my riding are not from one certain income group, job category or particular area of the riding.

The notion of big government not managing our money properly is coming from farmers, factory workers, students, housewives, small business owners, teachers and the list goes on. I hear it in my riding and I hear it from other members of Parliament on both sides of the House. This bill will go a long way toward restoring accountability to federal programs. It is what the people of Kent are telling me. I believe it is what the Canadian people want. On top of that, it is what the Auditor General suggested last week after issuing his annual report to Parliament.

If we ensure a strict monitoring of funds spent by federal departments it will help recover and regain some of the lost respect for this institution of Parliament and for individuals members of Parliament. Therefore, it is in that light that I present this bill here today.

I believe I am merely reflecting the views of average Canadians who are dismayed and disheartened with lack of accounting for how taxpayer dollars are spent. I will not necessarily get into a debate on the merits of the current government's handling of our finances. There are spending horror stories from every party, whoever governed this country.

This bill does not debate the past, but concentrates instead on the future to make every department fully and completely accountable to Parliament and thus to the Canadian people.

I have called Bill C-301 the common sense bill. It is a votable bill. While it may not be perfect, I hope the government side will look at it carefully before rejecting it out of hand. When we think about it, the bill makes sense just about every way we look at it. It is what the taxpayers want and deserve.

• (1110)

How does the bill work? Quite simply. All government programs and expenditures would have to be costed out fully and completely before they are implemented. As well, any cost overruns would need special authorization. It requires long-term planning by cabinet ministers; they would be forced to present to Parliament a detailed report showing any program's cost and its effects on the economy, environment, employment and social programs to the extent that it is possible.

This would be done several months before any program is approved to ensure that taxpayers get value for their money. Furthermore, a minister would be required to report any spending above the budget estimate and the reasons for such overspending. All detailed financial statements to Parliament would be automatically referred to the Auditor General and the public accounts committee for close inspection. This would eliminate hiding the true costs, since we all have to pay taxes. Let us make sure the money is not wasted.

I believe that by forcing federal departments and projects to stay within their budgets or to be forced to deal with specific questions on their failure to do so, taxpayers will get more value for their money.

There is no question that if those spending the money know they are being watched closely and will have to answer questions concerning their actions, they will spend money more wisely. At the present time there is not that concern.

I know of a recent federal project which was budgeted at $30 million, and later came in at approximately $200 million. We need to know why there was such a cost overrun, but under the present accounting system it takes special effort.

If this bill had been in effect such checks would be done as a matter of course. There would be no need to go to great lengths to get the answers and no bureaucratic red tape hiding the facts. The bill would prevent the bureaucratic shell game. We would know exactly how much is being spent, barring any unforeseen circumstances like an emergency or something, with greater scrutiny of excess costs.

Currently I believe there is an inherent attitude in the federal system which encourages overspending and waste. Right now if a program was allocated $100 million, and by fiscal year end has actually cost only $80 million, the administrators of the program look for ways to spend the remainder so that the next year they will not have their allocation cut. We should be rewarding those people who bring in programs under budget effectively and efficiently. With no real check on how money is spent, we are in fact telling them to spend every penny, needed or not, if they want more next year.

I will now get more specific with regard to this bill. It provides Parliament with better historical and long-term information on financial planning. Subsection 30(3) of the Financial Administration Act would be repealed and the following substituted therefor:

> Every warrant issued under the section shall be published in the *Canada Gazette* within 30 days after it is issued, and a statement showing all warrants issued under the section, the amounts of those warrants, and a detailed statement of the purposes to which the payment was supplied and the reason for the urgency shall be laid by the President of the Treasury Board before the House of Commons within 15 days after the commencement of the next ensuing session of Parliament.

The only change from the current wording is the sentence on the detailed statement. The purpose of this amendment is to give Parliament more information on the special warrants passed.

The Financial Administration Act is further amended by adding, immediately after section 42 thereof, the following heading and sections:

Part 3 is "long-term planning". Section 42.1 involves the creation of a new program.

It states:

> Where a new program is to be established requiring the expenditure of money from the Consolidated Revenue Fund, the minister responsible shall, prior to the commencement of the fiscal year in which the program is to be continued or established, lay before Parliament a statement showing:
>
> The objectives of the program;
>
> The estimated total cost of the program over its proposed life, and the method by which the cost has been estimated;
>
> the estimated funds that will be required over the first five years;
>
> the anticipated effects of the program on the economy, environment, employment, and social programs;
>
> the appropriation out of which the programs will be funded.

A new section 42.2 deals with excess cost. If the minister is informed that the cost of a program will be more than planned, he or she may lay before Parliament a statement showing the amount and reasons for the excess cost for the year, and all the alternatives that were considered before concluding that the excess was unavoidable.

A new section 42.3 would deal with the Auditor General. Judging from his recommendations last week, I think he would be very pleased with this section. It states: "Every statement shall be automatically referred to the Auditor General who shall submit to the Standing Committee on Public Accounts a report on the statement and the program".

As well, a new section 42.4 would require that when a minister submits his spending estimates to Parliament for a fiscal year, information must be included on how much was spent the two previous years and how much he will expect to spend in the next four fiscal years. This would prevent government spending boondoggles like the green plan. Here was a project costing $3 billion but we do not know how much is being spent along the way. It is as if the Tories were saving up for an election.

Money for a project is announced, great publicity is generated but nothing gets done. A project should start at zero, needs are determined, and then come up with a figure.

I mentioned before about how this bill could help the Auditor General in his efforts as the watchdog of the Canadian taxpayer. He said in his news conference last week that it was time average Canadians got the straight goods on our financial problems and that public servants and politicians had better start delivering. I have been hearing that message from my riding and that is why this bill was presented for first reading on September 24, 1991.

After tabling his second report on government operations, Denis Desautels said he was pushing for truth in budgeting. I quote:

> Too often Parliament is asked for spending approval in advance with no idea what the final tab will be. Things are done on a two-step basis: a little bit now, a little bit later. We want to get away from that.

I could not agree with him more. I believe Bill C-301 will make great strides in the direction that our non-partisan, independent, neutral Auditor General suggests. He has sharply criticized the Public Service and MPs for misleading Canadians about how their tax dollars are being spent. He said that the Canadian taxpayer is the victim of continuing bureaucratic waste and department sleight-of-hand, while serious cracks are developing in the essential services Canadians depend on.

I was very pleased to see that the Auditor General put his grievances into three categories: taxpayers' money that has been wasted with no justification; taxpayers' money potentially at risk because controls are not in place to do a proper accounting; and, finally, money misspent through bad planning.

I have said time and again that the people of Kent in southwestern Ontario and indeed people all across Canada want to know that their hard earned tax dollars are being put to good use. Bill C-301 is a step in the right direction.

The Auditor General said last week that some departments continue to ignore the rules by not properly tendering government contracts. Industry, science and technology was raked over the coals for awarding $3.3 million in contracts without bids in competition. The prosperity initiative entered into 22 deals without competitive bids for contracts of up to $1 million. No statement was laid before Parliament showing how much money was needed and why. It takes the Auditor General to tell us in an annual report all these things.

• (1120)

We as parliamentarians and as watch-dogs of the public purse should be told these things here in Parliament before the Canadian people. By not doing so and by adding to the examples the Auditor General has given us only adds to the cynicism and mistrust Canadians have for all politicians in general. By working together, we can change all that.

The Auditor General stated: "There is a general widespread breakdown of management controls, including fundamental parliamentary controls. Canadians are very worried about the impact of the annual deficit and the accumulated national debt on their standard of living. We must tackle this issue head on".

In conclusion, playing the game properly and bringing in projects under budget in the private sector means good news and added profits. In government it means next year's budget is reduced. I believe that most Canadians would not object so strongly to carrying a heavy tax burden if they were convinced the money was being properly spent.

I hope everyone can see this bill as a breath of fresh air. I know that many MPs are so-called ordinary Canadians when they are elected to office, but something strange seems to happen when they get to Ottawa. They seem to forget about being ordinary Canadians and instead become politicians.

I had the opportunity of being a councillor and the head of a municipality for many years before entering federal politics. To many members of Parliament, this level of government is known as the minor leagues, but whether it is industry, sports or politics one must have a solid foundation on which to build.

As a leader of our municipality, we would strive for a balanced budget so the ratepayers knew where we stood. Our plans were done five years in advance and updated every year. Whether it is federal, provincial, regional, county or municipal government the money comes from just one source, you and I, the taxpayers.

This is what Bill C-301 is all about. At the beginning of the year our budget was addressed and we kept it throughout the year. Many members will say yes, but what happens in an emergency? The budget would fail. This does not have to be the case. You have to adjust, whether it is municipal or federal.

We had three emergencies during my tenure as head of the municipality of Dover township. There were three floods, two of which were very severe, causing millions of dollars in damage. Nearly one-third of the township was below lake level. We were spending nearly $500,000 a year on repairing interior dikes and drainage ditches which were filled with sediment after every flood.

To solve this problem, under the initiative of council we built the largest drainage pumping works in Canada to service the area at a cost of approximately $1 million. Now there are no repairs needed to the interior dikes for drainage ditches. This pumping scheme was originally slated to be built six years earlier when the ARDA dike was built around the township at a cost of $17 million to the federal, provincial and municipal levels. The upper tiers of government disallowed the pumping works because of the great cost. It was about $450,000 at that time. We were able to prove a saving of approximately $300,000-plus a year with it in place.

Bill C-301 is designed to plan projects properly so that this does not happen in the future to other areas of Canada. I could quote many other government projects in our area of southwestern Ontario where funding was wasted by the millions of dollars.

I urge all members to support this bill. A vote for Bill C-301 shows support for the average taxpayer. A vote in favour shows support for the independent and non-partisan Auditor General of Canada. A vote for this bill is a vote for common sense for a change. This bill is a result of listening. I want to thank my constituents for enabling me to represent some of their views by way of this private members' bill.

Mr. Bill Kempling (Parliamentary Secretary to President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I am pleased to take part in the debate on Bill C-301, proposed by the hon. member for Kent.

The bill seeks to amend the Financial Administration Act in three areas: special Governor General warrants, long-term planning and the tabling of public accounts. Each of these amendments seeks greater accountability of the government to this House. Each requires that the government provide further information in order for this House to deliberate where the taxpayers' money is being spent effectively.

At first glance, most hon. members from both sides of the House would be inclined to agree that adequate information and accountability are absolutely essential in the democratic government of the House to fully exercise its responsibilities. The intentions are worthy. The hon. member has given careful thought to the manner in which the Financial Administration Act might be amended to enable this House to keep closer watch on how money has been spent and how it will be spent in the future.

When we take a closer look at what the hon. member proposes, we will want to consider whether the proposed amendments are in the best interests of this House.

While this House might welcome new responsibilities and powers to oversee government spending, I do not think that we would want to invoke requirements that inhibit the ability of the government to govern effectively. Least of all, do we want to impose a regime that would inhibit the ability of the government to provide accurate and quality information to this House? These are issues that we must address in the amendments proposed by the hon. member for Kent.

In the case of special Governor General warrants, the amendments would require added information to be tabled in the House by the President of the Treasury Board and would change the time frame in which warrants can be issued.

I would remind the House that special Governor General warrants can be issued to provide the government with funds only when three conditions have been met. Those conditions are carefully spelled out in the Financial Administration Act.

First of all, Parliament must not be in session because it is dissolved, prorogued or adjourned. Second, there are payments to be made which are urgently required for the public good. Finally, there is no appropriation in which the payment may be charged.

The use of special Governor General warrants are restricted to situations in which all three of these conditions are met. The Financial Administration Act limits their use to these conditions in order to strike a balance.

On one hand, the government must not be left without recourse to funding when conditions spelled out in the act are in place; Parliament is not in session, the government urgently needs the funding or has no other means in raising available revenues. On the other hand, however, is the power invested in Parliament to vote supply. The rule that public expenditures require the authority of Parliament is the bedrock of our democracy. It means that government must call Parliament into session. It is similar in importance to the convention that the government cannot levy taxes without the authority of Parliament.

Some members of this House are concerned that irresponsible use of special warrants would detract from the ability of Parliament to hold the government to account. Special warrants have been used in different circumstances for over 100 years. The most recent examples involved the use of four warrants in 1989. This House will recall that prior to the 1988 election, the second session of the 33rd Parliament had met continuously for almost 24 months. Following the election, Parliament was convened for a mere three weeks in order to pass the free trade agreement legislation.

Parliament then recessed but not before the government had informed the House of the need for further supply in the 1988–89 fiscal year. It tabled supplementary estimates B on December 16, 1988. Later the House adjourned and subsequently prorogued and the government requested the Governor General to approve special warrants. The President of the Treasury Board tabled documents pertaining to the warrants after Parliament reconvened in 1989.

• (1130)

The use of those special warrants was consistent with the nine other instances that special warrants were used since the Financial Administration Act was passed in 1951. The system has not been abused. The government has acted responsibly within the parameters of the Financial Administration Act.

The bill before us today of the hon. member for Kent would have the President of the Treasury Board report to Parliament 15 days after resumption. The president would explain the rationale behind the issuance of special warrants, including the purpose for the expenditures and why the matter was so urgent that Parliament could not be reconvened to settle the matter in a supply motion.

This House will recall that in the resumption of the first session in April 1989 two such statements on warrants were issued. In the winter of 1989 they were tabled by the President of the Treasury Board and prepared in the general format of supply or of supplementary estimates. They provided an explanation for the requirement of the additional appropriation. However, they did not address why the need for supply was considered urgent.

Under the Financial Administration Act the appropriate minister determines the urgency. The President of the Treasury Board can attest to this urgency in his report to the Governor in Council before a warrant is submitted to the Governor General. The president is not required to include information regarding the urgency of the warrants in his report to Parliament.

This House might consider whether such a statement might improve the ability of Parliament to monitor government expenditures. The amendment would place additional pressure on the government to justify the use of special warrants. We might ask ourselves whether additional measures are needed as outlined in Bill C-301, but I would emphasize that any decision to amend the Financial Administration Act should not restrict the government's ability to issue warrants under conditions now specified in the act.

The government will continue to require access to supply at times when Parliament is not in session, when there is an urgent need and when no other source of appropriation is available. That is where I believe this bill may go too far.

The hon. member for Kent wants us to redefine the period that Parliament is deemed to be not in session when it adjourns. The current period is 15 days. The member for Kent would like to see this extended to 90 days.

I can think of many instances where Parliament might adjourn for up to 90 days for reasons that would receive the full support of this House. The recent referendum campaign is a case in point. Under the amendments before us this House would have had to reconvene in the middle of the referendum debate had the government run out of funds. This would not have served the interest of the nation.

Hon. members from all parties worked hard in the referendum campaign. It was important to us to work in our constituencies to explain the provisions of the Charlottetown accord. There are times when our duty to our constituents and our country is better served through our presence in the ridings. These are times when the government will need to use special warrants in periods where Parliament is not in session for two or three months.

I believe it would be a mistake to give away the possibility of using special warrants at any time that Parliament is not in session. It would be preferable to retain the current provision so that the government would not be constrained under any eventuality by supply provisions.

The second issue covered by the hon. member's bill concerns long-term planning. The question at hand is whether the government has the responsibility to prepare strategic plans or whether the plans should be submitted to Parliament for approval. The hon. member for Kent proposes that when a new program is established the government table information concerning a number of long-term considerations. He wants the government to outline the long-term cost profile and any changes to that profile. He also wants to give the Auditor General an opportunity to review and comment on the information.

This is a proposal that flies in the face of parliamentary tradition. It represents a significant shift in the balance between the government and Parliament. It would threaten the ability of governments to plan strategically. Worst of all, it could compromise the quality of information that governments now use to assess various long-term options.

The member's proposals means that specific decisions of the Treasury Board which are confidences of the Queen's Privy Council would be tabled in Parliament. The proposal requires that the Auditor General would rule on the validity of methods employed to estimate the cost of a program and to give an opinion on whether or not a proposal is reasonable.

The Auditor General serves this House very effectively by assessing whether value for money has been provided. I do not think that we should cloud this service by making the Auditor General a commentator before the fact on the government's long-term objectives. That is not a matter for accounting; it is a matter for political decision making.

The hon. member for Kent also proposes that a seven-year expenditure profile be provided for each vote in the estimates. This would be given information on two previous years, the estimate year and the four future years.

As you know, Mr. Speaker, the main estimates—

The Acting Speaker (Mr. DeBlois): Order, please. The hon. member's time has now expired.

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, it seems particularly suitable that this bill come before the House shortly after the Auditor General's report because its aim is to start a process to control better cabinet money spending opportunities.

Back a few years ago a committee of finance called the Cooper committee after its chairman gave an opening statement entitled "The Proposal for Improvement". It read:

The present budgetary process of developing and enacting tax and fiscal measures is inadequate. It fosters uncertainty, discourages efficiency, obstructs progress and hampers the proper functioning of government. It is time to get on with the job of bringing much needed improvement to the process.

The process of financial control of government is the concern of all Canadian citizens. As a member of this House who is a layman relative to finance, I share the concern and the responsibility the member for Kent shows and I share the responsibility to do something about it.

First, we as members have an obligation to the people of Canada in regard to the use of public funds. Second, we as members therefore have a responsibility to scrutinize how the money is spent. Third, we have a responsibility to do something about it if we believe that it is not spent well. The third responsibility is where the process breaks down. Bill C-301 is a modest attempt to start doing something about parliamentary control of cabinet power.

Our present structure does nothing about sharing cabinet authority with Parliament. At present Parliament is asked to sign the cheque but not to question cabinet authority to spend it as it pleases.

Successive Auditors General have made statements which are really variations of Macdonell's statement that government spending was out of control. They have all given many examples to prove that statement. The most telling proof I suppose is the continuing and growing deficit of this particular government.

We could spend a lot of time discussing the reasons for the deficit but it is obvious that this government, as did the previous one, is finding it impossible to keep the spending under control and is forced to settle in most years for trying to limit the rate of increase of the deficit. This obviously is not enough.

The reason we have a budget is to lay down the strategy for revenue and spending. The budget does not have a life of its own. The budget is part of a continuum which includes planning, which is legislation, budgeting, estimates, expenditures and public accounts. As part of that continuum the budget should be a management tool which is used to implement the planning which has manifested itself in the legislation which Parliament has passed in each case.

This bill suggests that the budget and estimates should be linked in the planning process so that Parliament will have some knowledge of what items are being suggested and how much they will cost. It attempts to make the planning and costing process automatic in its reporting to Parliament.

• (1140)

At present the estimates seem to have a life of their own with no particular relationship to the budget. Nor do they have any relation to public accounts. In fact I would challenge anyone to follow through the three processes—budget, estimates and public accounts—and explain to any logical, sane person what is the relationship of the numbers in the three programs.

To follow through on the continuum, estimates are in no way reflected in public accounts. There are reasons for this. Most of them are taken from successive reports of Auditors General. They are things like supplementary estimates which keep coming down at almost any off time, $1 votes, revolving funds, net voting which is not inconsistent with the requirements of the particular project, vote transfers, the envelope system, acts which define accounting procedures such as UI and pensions, formula spending and statutory votes, spending changes started without parliamentary authority, one recommendation made by the Auditor General in his last report, and budget changes brought about after estimates are passed.

These items show two things. They show a lack of the continuum and a lack of any responsibility between spending and parliamentary authority. All those points I mentioned above contribute the government's spending being out of control.

Government and Parliament need to take a global look at the financial operations. The present piecemeal approach is incongruous and contributes to the out of control spending. Besides attempting to force the government to look at the costs of its actions ahead of time, a lesson it should have learned back in 1982-83 when the research tax credit scandal was in place, and restricting spending by cabinet without parliamentary approval, we should suggest more restrictive actions than there are in this particular bill, restrictive actions such as no supplementary estimates, restrictive actions such as no $1 votes and restrictive actions such as having all increases to statutory votes require enabling legislation.

Back in November 1982 the hon. Ron Huntington, MP, and the hon. Claude-Andre Lachance, MP, jointly produced a paper entitled *Accountability—Closing the Loop*. I recommend this paper to all members of Parliament.

This bill should be supported. It is one small step in an attempt to control all phases of finance. It is an attempt for Parliament to see what is going on so that the loop can be closed and that every phase of every department and agency fits into the continuum somewhere and can be scrutinized for its adherence to the plan and the spending within that plan. It suggests that departmental estimates be subject to the paper, *Closing the Loop*, that departments be subject to committee's veto if they have not spent the money well in the past. Without such action we are bound to have further Auditors General tell us that spending is out of control. That is his polite way of telling us that we do not know what we are doing.

Without action we are doomed to more deficits and more puzzlement on the part of the people of Canada about whether or not the government really has any control over its finances.

Mr. Bill Domm (Parliamentary Secretary to Minister for Science): Mr. Speaker, I am pleased to have this opportunity to join in the debate on Bill C-301.

Mr. Mills: Mr. Speaker, I rise on a point of order. I am just seeking clarification from the Chair. Does the rotation not come back to our side of the House after the NDP?

The Acting Speaker (Mr. DeBlois): Yes. The rotation is between the two sides of the House.

I think you are right. It is Private Members' Business and I will give the floor to the hon. member for Broadview—Greenwood.

Mr. Domm: Mr. Speaker, I rise on the same point of order. By way of clarification, it is my understanding that they will then have had three members speak from that side of the House and we will only have had one.

If I am not allowed to speak because of some standing order I will respect that. However, I thought it was two speakers from that side and then back to our side.

[*Translation*]

The Acting Speaker (Mr. DeBlois): This is a Private Member's bill, and since the mover is a member of the opposition I think it is not unreasonable, after recognizing a member with a different view, to recognize the opposition again and then immediately afterward, a member on the government side. In these matters the Chair always tries to encourage a balanced debate, and I think that considering the time we have left, we will have a chance to hear a range of views on this question.

I will recognize the hon. member for Broadview—Greenwood and immediately afterward, the hon. member for Peterborough.

[*English*]

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, through you to the government side of the House, when my time has expired government members obviously will have another opportunity to put their point of view forward.

I probably would have been a little bit more generous in giving up the time to the government had I thought that it was going to support the motion. In fact I was shocked when I listened to the member this morning, the hon. Parliamentary Secretary to the President of the Treasury Board, basically opposing the motion.

For the last eight years this government has been talking about this kind of accountability or control on reviewing and monitoring expenditures in trying to make sure that any waste or possible mistakes in the use of taxpayers' money are under a more rigid surveillance.

When my colleague, the member for Kent, approached me to speak on this bill, I said to him that I would not be surprised if there happened to be unanimous consent to pass this particular bill. As we were chatting about this this morning, I said: "This sounds to me like a motion that the government would put forward". Therefore, I was shocked. That is why I have to stick to my position here and support my colleague.

Speaking about him for a minute, the hon. member for Kent has been consistent on this point for the last four years, not only in this House but also in committee and in his community. I had the pleasure of working with him in his riding and speaking at one of his functions in Chatham just a couple of years ago. At that time he was talking about this kind of accountability in government. He has been consistent and unwaivering on this. This is the kind of thing the people of Canada want to see.

• (1150)

If the government had lived up to its campaign promises made in 1983 and 1984 before it came to power, that it was going to put the brakes on government expenditures and was going to streamline the government system, then perhaps there would be no need for a a bill like this. Government members said: "Listen, bring us to power and we will put control on government expenditure and we will look after the deficit and debt of this nation".

In 1984 when we left power there was a deficit of $180 billion. It must be remembered that half of that deficit was accumulated during the recession period of 1981 and 1982 and part of 1983. Is it not interesting that eight years later we are sitting with a debt that is probably close to $460 billion by now. I am not saying that it is not a difficult job to get a handle on the deficit and debt of this nation, but a creative idea has been put forward by someone on our side of the House.

The government is always challenging us to put forward new ideas and my colleague, the member for Kent, has put forward a constructive and creative idea that would be normal practice in a business environment or in any household. When a price has been given for building a new porch, for redoing a roof or for a paint or plumbing job, a bill for twice or three times the budgeted amount cannot be handed in after the job is completed.

We have had situations in this system, in the bureaucracy of government, time and time again where the budgeted amount has gone right out the window. The final amount is sometimes six or seven times the original budgeted amount. To think that there is no process for accountability on that until sometimes one or two years later is wrong.

My colleague's bill is very constructive. Once again, when we challenge the government to act on its words, it walks away.

I want to refer to a specific clause in Bill C-301. The opening sentence of paragraph 42(1)(d) reads:

> Where a new programme is to be established requiring the expenditure of money appropriated from the Consolidated Revenue Fund, the Minister who is to be responsible for the administration of the programme shall, prior to the commencement of the fiscal year in which the programme is to be continued or established, lay before Parliament a statement showing:

I want to go to part (d):

> (d) The anticipated effects of the programme on the economy, environment, employment and social programmes in Canada.

My colleague has come up with something Canadians would really expect. Why would we not be satisfied in approving a motion that would justify taxpayers' money being used in relation to factors such as the environment, employment opportunities and social programs, especially in the area of employment?

If Canadians saw that government was adding additional funds to programs directly linked to helping people get back to work, all sides of this House would be receptive to approving something like that. We could justify that action to our constituents. What is difficult to understand is when these increases to budgets happen with no rationale and no clear explanation. That is when we get blind-sided by our constituents.

The hon. member for Kent has put forward a reasonable and logical bill. I cannot believe the government is walking away from a form of accountability that it has been talking about for many years. In fact, this is the kind of bill expected from a Conservative member. My colleague from Kent is showing some of his honest, conservative leanings. Obviously, this is a good thing. I support it.

I am totally disappointed that the government cannot in its thought process get behind it. The Minister of Finance stood in this House a few days ago and said: "We are waiting for it. We are looking for ideas from the opposition on how we can improve the efficiency of government and how we can make it a better system of accountability".

Bill C-301 is an opportunity put forward by the hon. member for Kent and the government walks away from it.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I will now recognize the hon. member for Peterborough, and I thank him for his courtesy and co-operation.

[*English*]

Mr. Domm: Mr. Speaker, I really cannot do very much in one minute and 40 seconds, but I would like to use the time in the interest of all private members in the House on a point of order.

When I originally stood and my friend stood up and said that it was his turn and not mine, I understood the reason was that do we not usually go from side to side on a private member's bill. Then the Speaker stood up—if my memory serves me correctly and I would like to check the "blues"—and said that yes, it is the tradition to go from side to side during Private Members' Business.

I would just like to point out that is not what we did today. What we did is we started on that side with the Liberal member who presented the bill and that is perfectly in order. I am not questioning that. Then we moved over to our side to present another view. Then we moved back to that side for a view from the NDP and then we moved down to the other side for a view on an interjection by a Liberal member that it was really his turn and not mine.

I think there is a mistake there. I would like the opportunity to review the "blues". Then I would like the Speaker to perhaps have another look at the decision, which I believe was right, that we go from side to side on Private Members' Business. It is not three to one, three on one side and one on the other.

I think my time is up. If I am to fill another minute, the hon. member will never know whether I am for or against the bill. When he stood up his opening remark was that he assumed I was against it. I am in the government and I am a parliamentary secretary. I have not given my view that I was for or against it nor could I give and substantiate my view in the 33 seconds I have left.

I would appreciate it if the Speaker would again think about that three to one, three on one side and one on the other. Perhaps he could advise the House at this time if that is his understanding of the Standing Orders.

• (1200)

Mr. Mills: Mr. Speaker, I want the record to show that I was not debating your decision. I was seeking clarification before I spoke because had I sensed from the government side that there was any support for the bill I obviously would have taken a pass.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Perhaps I may offer some additional clarification. Our parliamentary practice dictates that the Chair recognizes, in turn, the three main parties in this House on any motion that is presented in the House. Usually the government speaks first as the mover of the motion. Subsequently I recognize a spokesperson for the Official Opposition and a spokesperson for the New Democratic Party, and we then go back to the mover of the motion.

However, this is Private Members' Business, and the motion was presented by a member of the opposition. We recognized the three main parties, in turn, and it seemed reasonable to go back to the party of the member who moved the motion, especially since the motion will be debated on two more occasions and there will be plenty of time for members to express their views.

I think that in this kind of debate, whether there was sufficient opportunity for expressing all sides of the question, it should be assessed at the end of the three sittings during which the subject is debated. It sometimes happens that during the first session one side of the question receives more attention than the other, but I think we should judge the debate in its entirety. The Chair intends to see to it that there is a balanced expression of views during the debate in the House.

[*English*]

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.

GOVERNMENT ORDERS

[*Translation*]

BUDGET IMPLEMENTATION (FISCAL MEASURES) ACT, 1992

MEASURE TO AMEND

The House resumed from Monday November 16, consideration of the motion of Mr. Mazankowski that Bill C-76, an act to amend certain statutes to implement certain fiscal provisions of the budget tabled in Parliament on February 25, 1992, be read the second time and referred to a legislative committee in the Economics envelope.

Mr. Pierre H. Vincent (Parliamentary Secretary to Deputy Prime Minister and Minister of Finance): Mr. Speaker, I welcome this opportunity to speak today to Bill C-76, a responsibility of the Department of Finance, which contains amendments to the Canada Student Loans Program. It is a fact—and I do not think this is news to hon. members and our listeners—that raising the level of education of our young people means increasing their chances of having a better income and a better quality of life. I would also say that better educated youth means a better future for this country.

The Canada Student Loans Program goes back to 1964, and since then more than two million Canadians have benefited under the program. Since 1964 the federal government has guaranteed $7.6 billion in loans. We have some idea of how the system works: the Canadian government guarantees loans made to students by financial institutions for post-secondary education. The government pays the interest on the loan while the student is at university and for six months after the course is finished.

The provinces—we must remember that education is in provincial jurisdiction—have the right to withdraw from this federal program and receive full compensation. At this time Quebec and the Northwest Territories have withdrawn from the federal program and receive financial compensation.

As for the other provinces, they receive the students' requests and decide how much to lend them. The students have nine and a half years to repay the loan when they complete their studies. Furthermore, they are entitled to an 18-month period after their studies in which they do not have to repay if they are unemployed for any reason.

We see that these are very attractive conditions and the problem which has been raised many times is that the federal and provincial governments, the financial institutions which lend the money and just about everyone are trying to help young people get a better education. We also see that the costs of those who do not repay are rising very rapidly.

In one of his reports the Auditor General said that the law was rather silent on the definition of "satisfactory academic performance", for example, because the assumption is that we will pay the interest and continue to cover the loan if the student's academic performance is satisfactory. That seems somewhat theoretical and left to the discretion of the student rather than the financial institution or the provincial or federal government.

It is probably a good idea—and this is what Bill C-76 sets out to do—to make three changes that will put the program on a financially sounder footing and at the same time help increase the amounts available for needy students. We must remember that the program is intended for students who would otherwise not be able to afford a post-secondary education.

The bill contains three changes which affect this program. It terminates the six-month post-graduation criterion. In other words, the student graduates, starts working and no longer has six months grace before starting to pay interest. I think everyone realizes the federal government and the provinces have substantial financial burdens, and if we endorse a loan and pay the interest on the loan to the financial institution for two, three or four years, and the borrower, in this case the student, has nine years to pay back, I think we can expect the student to start paying the interest as soon as he graduates, which means as soon as he has finished using the loan program.

We also want to have more clear-cut arrangements with the provinces that operate under the program and those that have opted out to ensure better co-ordination, better management of taxpayers' money, both

nationally and with respect to the assistance our students will receive under this program.

Finally, and I think I speak for the entire government, we would like to simplify the program's administration. At the same time there is perhaps a desire to review the way financial institutions manage this program. When a borrower defaults, they call the federal government and say: "Pay up". Perhaps the program could be streamlined to make the financial institutions a little more, I wouldn't say responsible but perhaps more involved in student loans, because it is easy for a financial institution when the provincial government says that Mr. X and Ms. Y is accepted as a student who is entitled to a loan. Mr. X or Ms. Y goes to a financial institution and arranges for a loan. The institution knows the loan is 100 per cent guaranteed by the federal government and the government will pay all the interest for the duration of the courses taken by Mr. X or Ms. Y.

For the financial institution the risk is minimal. If the former student does not pay the interest or the principal according to the terms and conditions for one reason or another when his or her studies are over, the government pays anyway.

• (1210)

There may be a way to simplify and update this program's approach without cutting funds and reducing a student's opportunity to get an education by establishing a better, sounder administrative framework.

In 1985 the program cost $286 million; in 1991, $453 million. It has almost doubled in five years. I think that it was right and fitting for the Minister of Finance to say in the budget and in Bill C-76 that is before us today that this program will be better managed in a way that does not penalize students.

This also means a better agreement on this program between the federal government and the provinces because educating students is the provincial governments' responsibility. The federal government is there only to help. We must help, but I think that we must do so at a reasonable cost.

This is the thinking behind Bill C-76 that has been tabled and I know that the Department of the Secretary of State has already started to work with the financial institutions and with the various stakeholders. A document on student loans is being discussed with the provinces and they are being consulted on it. Federal and provincial officials have been working together on a new approach and better administration of the system so that again taxpayers' money will be spent to the best advantage and young Canadians will receive higher education which they could not afford alone or even with their families' help.

I ask the House to pass Bill C-76 as soon as possible so that everything will be in place in accordance with the provisions of the budget speech and the Canadian government will save money at the same time as it helps our young Canadians get an education.

[*English*]

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, it gives me great pleasure to speak on Bill C-76. I would like to focus on the subject of the Canada Student Loans Act in particular.

The reason I wish to speak on this particular segment is because of the importance of the student population to Canada as a whole and to the future of not only our country but the whole world.

At the time the Minister of Finance was introducing his budget, a very progressive initiative was announced by the federal government which was called "Learning Well Living Well". In it are a variety of interesting objectives and statistics which I would like to share with my colleagues and with the public at large.

One point struck me at the time. I was quite impressed by an objective of the "Learning Well Living Well" proposals. The major purpose of that particular paper was to deal with the ongoing problems in our educational system, with the productivity within our society and with a variety of other issues that deal with the question of education.

For example, I am not sure what happened to one objective at the time, whether it is still on the books or has been put on the shelf. A 10-year goal was spelled out which included cutting adult literacy rates in half, having 90 per cent of Canadians attain high school diplomas or the equivalent by the age of 25, quadrupling the amount of learning that employers provide to students through structured work experience as well as quadrupling the

amount of training employers provide to their regular employees, doubling community college standards and university post-graduates in science, engineering and technology, becoming a world leader in mathematics and science achievement at all levels of the school system, and finally having a system of life-long learning that would be among the world's best at setting standards of performance in accessing achievement.

One would ask why the government at the time was talking about those proposals. We on the opposition side know why there is need for some immediate action when it comes to the question of education and the question of literacy in Canada. At the present time on an annual basis we have in excess of 100,000 students who drop out before they finish high school. By doing so they are creating a growing number of functional illiterates who are largely untrainable and are increasingly an unemployable group of citizens.

Also in Canada now about 38 per cent of the Canadian population has difficulty reading or writing. That is cause for alarm. One would ask: "How can society move one step forward with these difficulties and these impediments?"

Even if we were to ignore those figures for a moment and look at what has happened in Canada from 1966 to the present, in 1966 about 25 per cent of the work force in Canada were youths. As we moved toward the 1970s and 1990s the percentage of youths in the work force began to shrink. By the year 2000, the percentage of youths in our work force will again decrease to approximately 17 per cent.

The number of students entering the work force is shrinking on a daily basis. One would say: "If that is the case something must be done". Even with these percentages approximately 30 per cent of youth are dropping out and not finishing their high school and 40 per cent of the population is functionally illiterate.

This is a very urgent matter and as we move toward the year 2000 the vast majority of jobs in Canada will demand at least 16 years of education. According to the 1990 statistics of Employment and Immigration Canada, 40 per cent of all new jobs in Canada will require more than 16 years of education. If we were to compare that with the jobs that require less than grade 12 education, about 35 per cent of the jobs would require less than grade 12 education.

• (1220)

In other words, unless one has a university degree by the year 2000 one's chances of finding a job in the labour force are going to be extremely slim. That is what I thought was the whole focus of "Learning Well Living Well" two years ago when the government came up with those initiatives, that something drastic had to be done.

We have seen very little in the budget to address not only the question of accessibility to post-secondary education but also the question of the quality of education we are providing to our students, as well as the kinds of accessory things the government is doing in order to make sure students are coming out of the educational system with the degree they need and are finding the jobs they require.

It is no surprise to me that the budget did not deal with that issue. In fact, if we look at the past four or five years, every time we had a federal budget one of the areas we saw being cut was that of transfer payments to the provinces for post-secondary education.

As such, if we were to look at the trend by the year 2004 there will be no transfer payments to the provinces from the federal government. To that extent one would only question the viability of the government proposal to address the question of education when in fact the federal government is cutting transfer payments to the provinces. By doing so it is minimizing the amount of flexibility that existed in the past in trying to pressure the provincial government to put more money toward education and to invest more in the area of education.

Student assistance in particular is a very urgent matter. As you know, Mr. Speaker, as a former student, as well as many of my colleagues in the House of Commons, many students who go to university to finish their degrees live to a large extent below the poverty line, and we are talking about way below the poverty line.

I recall from my student days—and I am sure the student population who is watching the parliamentary channel will share this point—that students live on very little money during the year as well as while they are taking their courses. In many cases they are eating food that is not nutritional enough. Perhaps it is really affecting their health to a large extent. As it is, we are not really investing enough in education. I was quite surprised to see the provincial government was cutting the grant to the student population altogether when the provincial Government of Ontario, the NDP government, had promised to increase funding to the student population.

I look at the federal government in this whole scene with all these alarming statistics and I think if this happened in any other G-7 country we probably would have seen an educational revolution of a very large proportion. However in Canada we seem to be content talking about it a little around budget time and talking about it whenever we have an opportunity to speak to a large group of people. In fact we are doing very little to deal with it and to address it in a tangible and effective way.

The government is not doing a lot in this area. In fact governments at the federal and provincial levels do not seem to consider it a priority. It is looking at it as a way to cut the deficit. It is looking at cutting assistance to students, cutting transfer payments to the universities and the post-secondary institutions and cutting the amount of money put into research and development. It is hoping to deal with the deficit but it is cutting off its own nose. There is no way we can deal with the question of the deficit unless we are investing in the most important sectors of our society: the educational sector and the research and development sector. Not only is the government not doing enough, the private sector does not seem to be doing a heck of a lot either.

According to information obtained in 1987, statistically only one-third of employers in the private sector have provided any kind of training to their employees when it came to education on the job. That is an extremely small percentage when it is compared with what is happening in Sweden, Japan and elsewhere.

One would wonder what is really going on in our society. We do not seem to be doing the things we should be doing to move forward and to continue providing the quality service we have provided our people over the years.

One would suggest that the federal government should try to address the fundamental problems we are faced with in terms of the educational system, in terms of research and development in industry and in terms of what the provinces are doing to address the problem.

I have seen nothing in the budget that addresses the question of transfer payments. In other words, in the past the federal government would give the money to the provinces hoping the provincial governments would use that money to invest in education. What we have seen in the past is the provinces taking the money and spending it pretty well on anything but education.

There is nothing in the budget. I have seen nothing over the past four years being done by the government to address this particular subject. As well, I have not seen anything from the government side to try to address the objectives or the promises made to the Canadian population and to the House of Commons two years ago when we talked about dealing with the questions of literacy, drop-outs and so on.

I would like to see the government moving very quickly on a number of fronts. First, the government should deplore the action of the provincial government that is in the process of cutting grants to the student population. Second, the federal government should look at the promises it has made over the past two years. In fact over the last eight years we have been talking about the questions of education, literacy and research and development, and we have not seen a lot taking place. The federal government has to go back and look at those promises and bring forth something tangible now.

The government should reinstate the level of transfer payments to a level that is accessible and consistent with the needs of the student population. Somehow the federal government has to look at the whole notion of financing post-secondary education.

On a number of occasions student federations have put forward some very good proposals to the federal government addressing the question of post-secondary education, the question of accessibility and the question of assistance to students while they are finishing their education. We on the opposition side, my colleague and I, have been calling on the government on a regular basis to take tangible steps to deal with the question.

For the information of members of the House and the public, I would like to mention that over and over again institutions in the private sector, and in many cases some provinces, have been moving toward the notion of establishing a national education standard. A national education standard is the only way for us as a government, as a society and as a people to move forward with a healthy, productive society in a healthy, productive country.

• (1230)

Without a national education standard we will continue to have 12 different educational systems in 10 provinces and 2 territories, 12 different ways when it comes to dealing with assistance to our student population, 12 different ways of studying Canadian history, 12 different ways of dealing with the curriculum and 12 different ways of trying to deal with any question that might be facing the nation not only today but in the future. The government is equipped now more than ever before with the tools it needs to address this question and this deficiency.

A national education standard, as it was proposed by myself in 1991 in a private member's bill, Bill C-318, will help the government to address this issue. I would like to share some of the suggestions in this private members' bill.

For instance, the national standard for education stated that every person who is interested in obtaining an education would be able to obtain one regardless of his or her age, level of income or background.

It deals with the question of improved standards in mathematics and science. It addresses the question of apprenticeship programs and partnerships with the private sector in co-operative programs. It addresses the question of a national strategy to deal with the recruitment and training of the people who are in the work force, as well as those who are educating the students to be out in the work force.

The bill also addresses the question of work-load and the question of the curriculum as a whole. It calls more than anything for a partnership among all of the different levels of the government, the students, industry and the different partners such as families, special interest groups and so on.

These are some of the things the government should be doing and has not done at all in its budgets. Nor has the government addressed it in any way, with the exception of saying it wanted to deal with the question of fiscal responsibility and with cutting the deficit and this is how it can deal with it. However, we have a problem now and the government says it will deal with it at a later date. We have been waiting for that strategy for quite awhile.

Another issue the government has to look at is the question of summer employment for students. Since 1985 the federal government has been cutting the summer employment budget on a regular basis. In fact, in excess of 50 per cent of the total government budget for summer employment has been eliminated.

Other issues include the continuing cuts of $3.2 billion over the past five years from the federal transfer payments to the provinces. The government is taxing books and that should be eliminated.

On a final note, the government could look at the accessibility of post-secondary education to women, aboriginal students, students with disabilities and students of different backgrounds in particular.

I can see my time is running out. These are some of the reasons we have concerns with this budget as it was proposed by the minister.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I have listened, as I usually do, to my hon. colleague in debate on this particular bill.

I have a couple of items I would like to put to him for his own views in the form of a question. The government seems to be pursuing a goal of prescribing fees in many areas. Most of them I guess are for cost recovery.

There have been areas where I have seen errors made by the government in assessing what the costs actually were. Most of the time it does get it right and I think we are heading in the right direction.

I am wondering whether my colleague believes that the government is adequately sensitive to whether the fees being charged and the structures being placed for government services, in this case in relation to the Lobbyists Registration Act, will structurally impair what we have always taken for granted in our society: that citizens can freely communicate with their government through MPs. Does the fee structure that is contemplated here, irrespective of the amount, impair the ability of citizens to adequately consult with their government through their MPs?

Mr. Harb: Mr. Speaker, my colleague is referring to another section of the bill which deals with the Lobbyists Registration Act. I would like to thank him very much for his question on that particular segment of Bill C-76.

I would suggest to my colleague that any action taken to limit the accessibility of the public to their member of Parliament would be quite unfortunate because, in fact, we were elected to do just that, to talk with the people who have elected us. Groups, institutions, organizations such as the Red Cross or some of the distinguished national organizations that on a regular basis have to deal with their members of Parliament, need access to their members of Parliament.

I would suggest that if we were to impose fees on those types of organizations we would be making it extremely difficult for them to communicate with us in an effective manner.

To that extent, this particular amendment to the Lobbyists Registration Act would hinder the flexibility of these non-profit organizations to have access to their member of Parliament and to that extent I do not like that particular point.

Mr. Jack Shields (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, today in Canada, indeed all around the world, governments are being asked to think in different terms. Just as Canadians are themselves thinking about their own budget planning in different terms, they are demanding that government adopt a new approach to fiscal planning.

Such demands to think and act differently are very strong when it comes to matters of money, particularly in times such as these. Canadians want their governments to be stewards of public money, of their money, and not spend as though from a bottomless purse. Canadians want stewardship because they know, as do hon. members of this House, that responsible, prudent, financial management of the public accounts is vital to the health of the economy of this country.

In 1984 our government's aim was and continues to be just that: prudent financial management and responsible stewardship of our financial resources. This government has been pursuing the goal of sound financial management through deficit reduction. This government is working to bring the public debt under control and is reducing inflation through its monetary policies and budgetary measures.

One such budgetary measure is before us today for consideration, Bill C-76. Bill C-76 will empower the government to use another tool with which to control the deficit. It will allow us to address head-on a matter that must be of concern to any reasonable government, indeed to any enterprise, be it private or public. The concern is the cost of doing business and of providing service to the public, or should I say recovering those costs. Cost recovery is fiscal policy that is practical and fair. It is an important tool for a government working to provide service to the public without adding to the deficit.

• (1240)

Three years ago we decided that the legitimate profession of lobbying should be made transparent to the public and therefore we asked lobbyists to register their activities with the government.

This bill is a priority of the government because it will allow it to recover costs now being shouldered by the taxpaying public for services that are very focused and very sector specific. I am speaking of course of the services provided by the Lobbyists Registration Branch of the Department of Consumer and Corporate Affairs.

While the beneficiary of such a specialized service is society as a whole, the cost of administering this service should be a cost of doing business as a lobbyist. I want to clear up any possible confusion that may exist about cost recovery as it pertains to lobbyists registration and the pending review of the Lobbyists Registration Act.

As hon. members will recall, when this House adopted the Lobbyists Registration Act three years ago we required that the act be reviewed after three years. What we are discussing here today, namely the recovery of costs for the registration of lobbyists, is on a completely separate track from the review of the Lobbyists Registration Act and it must be on a faster track.

Fiscal responsibility and cost recovery require prompt and separate attention. Accordingly my remarks today are focused on how best to contribute to achieving the government's economic goals as set out in the February budget and to fulfil the demands of Canadian taxpayers that their money be spent wisely and responsibly.

Bill C-76, which was introduced in this House in May, is one means of accomplishing that end. It will allow the government to establish a cost recovery structure and cost recovery levels under the Lobbyists Registration Act. Until now the cost of registration and the cost of the other services provided by the Department of Consumer and Corporate Affairs have been absorbed by the government. Given the government's priority to reducing the deficit, this clearly cannot be continued.

The Department of Consumer and Corporate Affairs is now considering the options for the structure and level of the fees. Until this system is devised I cannot say what the charges might be or how they will be applied. What I can say however is that public consultations will be an integral part of the development of the registration fee structure and level.

As you are aware, Mr. Speaker, second reading is to debate the principle of the proposed legislative amendments, the principle of cost recovery and fiscal responsibility. If the House approves, hon. members and invited witnesses will have ample opportunity to offer their input and advice before the legislative committee. I can assure this House that we will give serious consideration to suggestions made at that time. In addition, the proposed regulations will as required be pre-published in *The Canada Gazette*, providing all Canadians an opportunity to comment.

In conclusion, I would like to tell the House that the registration fees must not be viewed as an attempt to regulate the lobbying industry, which plays an important role in the democratic process in our country and in the way it is governed. The fees in this bill should be seen instead as a cost recovery measure, nothing more, and certainly nothing less.

Registration fees will become a cost of doing business like any other business, as is the business of lobbyists. More important, the Canadian government and the Canadian taxpayer will recover the cost of ensuring that those who attempt to influence its decisions do so in the full light of day. Registration fees are not regulation. They are not a hindrance to access to government. They are integral to responsible fiscal policy: cost recovery for the benefit of every Canadian.

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, it is my pleasure on behalf of the New Democratic Party to open debate from our side on Bill C-76. For the benefit of the voters who are watching this debate, it is a bill which does four things. It increases the limits on business improvement loans under the Small Businesses Loans Act. It reduces the salaries of ministers of the government, including the Prime Minister. It requires that lobbyists pay a registration fee and, finally, the bill provides for certain changes in the Canada Student Loans Program.

It is on the latter that I intend to spend most of my time this morning. However, to call to the attention of the viewers what is involved and its significance, it should be pointed out that the Small Businesses Loans Act amendments would provide for an increase in the loan limits from $100,000 to $200,000, which is a change that my party certainly finds unobjectionable. The question really is whether it is of any great utility, considering the difficulties that small businesses have, even with the provisions of the Small Businesses Loans Act, in getting bank loans for the furtherance of their businesses.

This is an area of considerable concern. In fact the number of small businesses getting loans guaranteed by the federal government has decreased over the last few years as a result of the economic situation. Yet, the economic situation is somewhat dictated for a significant number of them by their inability to get loans.

Second, given what Canadians consider to be the proficiency of the ministers of the federal cabinet, for the benefit that has accrued to the populace from their activities, I do not think that this bill will be seen as enough. I think the average Canadian would prefer to see the salaries of the ministers cancelled. The only way in which one can do that is to have an election.

With respect to the registration fee for lobbyists, it makes good sense to us that services to which lobbyists have access be paid for. However, we have concerns, which have been expressed by others about the costs that might be imposed upon non-profit organizations for whom access to parliamentarians should be as free as possible. These are the people who are powerless and cannot afford to pay significant fees simply for the purpose of coming before Parliament or its committees. Talking to parliamentarians is difficult enough.

The significant issue in my mind is the portion of the bill that changes the Canada Student Loans Program. Part of it seems to be relatively trivial. It changes the conditions under which provinces that opt out of the federal student loans program will function. This does not seem to provide for any significant impact on the capacity of those provinces opting out to carry out the administration of this program.

The second part of the changes to the Canada Student Loans Program provides for the elimination of the presently existing six-month interest-free period that students have right after graduation. There was a six-month forgiveness period in advance of which the students did not have to start repaying their loans. This must be considered in the context of a number of changes which considered together are quite significant.

• (1250)

What is happening here must be viewed within the over-all context of what is now being said by just about everybody, which is that if Canada is to be successful in the global economy it must adapt to the nature of that economy. If there is one thing that is clear about the so-called new global economy it is the intense involvement and significance of knowledge in the new high value-added economies which are growing in the industrial world: in Europe, Japan and elsewhere. Any observer of the Canadian scene recognizes that if there is anything fundamental that Canada must do to compete in the new knowledge-intensive, global economy it is to provide that every citizen can attain the level of education, training and skills development that they can achieve.

It therefore follows relatively clearly that if we are to achieve this it must be by making it possible for everyone to have access to the kind of training or education which is most appropriate to their aspirations and aptitudes.

We should be talking about increasing training and retraining, and improving education at both the secondary and elementary levels, as well as the post-secondary level. The post-secondary level is very important to us. Our colleges and universities are of fundamental significance. They are a focus of a knowledge based economy.

We should be increasing the quality of post-secondary institutions and we should be looking for any way by which we can possibly increase accessibility to those institutions. However, what has happened? What has happened even as this government utters the rhetoric that education and training are so important? With respect to post-secondary institutions the government has cut back the EPF payments to the provinces so that there will be a total of about $11 billion in cutbacks over a decade to the post-secondary institutions. Commensurate with that there has been a marginal increase in research funds.

Meanwhile, these transfers have had an effect on what the provinces do. In Ontario just last week there was a tragic decision by that government to eliminate grants to students, grants which make it possible for low income university and college students to gain access to universities. Grants are important to students with low incomes because for students who come from the lower socio-economic strata of society the notion that they will have a huge debt when they exit from university or college is a considerable deterrent.

This series of decisions taken at the federal and provincial levels have led to changes which have made it more difficult rather than easier for students to gain access to universities.

With respect to the Canada Student Loans Program, just last year this government introduced a 3 per cent surcharge on the loans that students negotiate with banks. The ordinary voter out there should understand that the federal government guarantees loans to students which are negotiated with the banks and administered at the provincial level. All the qualifications are administered at that level.

Qualification by students for the loans is determined through their colleges or universities according to a set of criteria, one of which is that students must save 60 per cent of what they earned during the summer in order to qualify. There are also certain provisions for information on parental income and so on and the like. It has become more and more difficult for students to earn enough money just to keep themselves in food and clothing during the summer much less to contribute 60 per cent.

On top of these difficulties, this government is collecting $18 million from students who have negotiated a loan. A student who has borrowed $2,000 is going to have to pay out $60 right off the bat, and that is a hit. It is money out of the student's pocket. It is another deterrent to students, particularly to low income students who want to go to college.

With this bill the government will heap on top of that 3 per cent surcharge on loans an elimination of the six-month interest subsidy period during which it was understood that students were looking for jobs and would not be able during that period to begin immediate payment on that loan, in all probability.

The additional interest charges that will be taken from students will be $18 million a year. If it is true that education and training are so important to us and so important to our economy, even from the perspective of this government, then when will it stop doing things that are so negative in terms of those objectives?

There have been a number of recommendations to change the administration of the Canada Student Loans Program. The Canadian Federation of Students wants a movement toward tuition-free, grant-based access to post-secondary education.

My party would prefer to see a post-secondary educational environment in which students would not have to pay tuition. We know that economic circumstances at this present time make that almost impossible, but there are alternatives such as an income contingent student loan repayment program that could be looked at as a means of broadening access rather than restricting it as we are now.

Right now we have a situation in which practically every government, with the leadership and because of the actions of the federal government, is making it more and more difficult. How can that be consistent with building Canada into a nation that can, as the government would have us do, compete in the new global economy?

Mind you, the government did promise to eliminate the 3 per cent surcharge. If it is going to eliminate that 3 per cent surcharge why could it not at least have done that along with the elimination of the six-month grace period which is at issue in this bill?

We will oppose this element of the bill, as it should be opposed. We would ask that this government, rather than finding ways of taking more money out of the pockets of students, to find more ways of ensuring there will be more students, and that more students will have access to college, post-secondary education, training and retraining.

Indeed we should be looking at more and more ways to ensure that every Canadian has access to information, to the means by which we can learn. Why do we continually have this attack on those whom we are going to need most and who need us most, those who are trying by going to college or university to further their education and make themselves citizens who will contribute more to Canada than they could without their college or university education?

It is an abomination that this government continues to peck away at accessibility as it does with this bill. It certainly will peck away at accessibility. Students already accumulate an average loan debt per annum of $2,000. Many students will owe $15,000. With the promised increase in the limits on student loans students could be leaving university with $20,000 and $25,000 debts, which are going to be added to by the action of this government in Bill C-76.

• (1300)

This is unconscionable and unacceptable. I would say that this government, along with the provincial governments, should get together now to ensure that there are no more changes of the sort we have here, that there will be no more surcharges, no more actions to make student loans more difficult to get and more difficult to pay back and that there will be no more actions as there were in Ontario last week of eliminating grants that would allow poor students to get to post-secondary institutions.

We should not be looking at narrowing and restricting accessibility in terms of full or part-time as this government wants to do. We should ensure that even part-time people who want to go back to university and need the money to do so will be able to negotiate loans as well. What we need is a coherent program involving the federal and provincial governments to put a stop to this inconsistency and stupidity and engage in the co-operation necessary to ensure that universities are going to be properly funded and that students will have the financial means to get to university. We should make universities and colleges more accessible rather than less accessible. That is not going to be done by legislation of this sort. Therefore, we will oppose it and I hope all hon. members in this House will oppose it.

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, I have a short question. The member may want to expand a little further on the decision by the Ontario NDP government to abolish grants to university students, those who need help the most.

Second, he is an educator and I believe he taught in university as a professor. He might comment on information I have received from universities that feel many of the provinces do not pass on the funds they receive from the federal government for post-secondary education but rather channel those funds to other needs within the jurisdiction of the province. This has been mentioned to me by university presidents I have met. He might want to comment on that, either to reinforce that statement or come up with opposing views.

Mr. McCurdy: Mr. Speaker, if it was not clear to the hon. member, let me make it clear that I regard the changes, the elimination of grants to students in Ontario, as fundamentally inconsistent with what I consider to be the appropriate social democratic view of how we approach the new world economy.

If there is anything that is clear about the new world economy it is that it is an economy in which we have to vest as much investment in people as we possibly can. We must ensure that everyone has access to education and training commensurate with their ability and their need absolutely, and that there should be no financial barriers to that. That is clear to me, as it should be clear to everyone.

I am very much disturbed by the elimination of those grants. However, I understand the reason. Part of the reason is that this government has taken money out of the pockets of the taxpayers of Ontario at a critical time, contributed to its deficit and contributed to the economic catastrophe in which we presently find ourselves which has meant a demolition of revenue and an extraordinary growth in expenditures for the benefit of those people who have suffered because of the economic catastrophe this government brought about.

The hon. parliamentary secretary asked me about the issue of the provinces receiving funding for post-secondary education which in many cases was not actually spent on post-secondary education. This hon. parliamentary secretary knows that practically every day since I have been here I have raised the issue about the necessity of this government sitting down with the provincial governments to get an agreement on assured levels of funding which would recognize the responsibility of the federal government and the provincial government to fund post-secondary education at a level that would allow post-secondary institutions to function.

Of course, part of the problem originated back in 1975 when the then Liberal government unhooked the EPF from university expenditures. After that the money came in but it was not accountable in terms of the money going to post-secondary institutions. In many instances it has not.

The EPF funding consists of post-secondary and health funding. Health costs have escalated and unfortunately we in Parliament, not those who are otherwise concerned, have raised the level of the popular consciousness to the fundamental importance of what has been happening with the funding of post-secondary institutions which has led to the kinds of catastrophes that we see all across this country, not only in terms of the elimination of grants in Ontario, but the absence of adequate operational funding for universities even to keep their books in their libraries and lights on in their classrooms.

This is the responsibility that is shared at the federal and provincial levels. The federal government has not done a thing to undertake those initiatives that would have changed things. It is a lack of leadership as is demonstrated in this bill.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I respect the hon. member for Essex—Windsor for being so forthright in disagreeing with his counterparts in the province of Ontario on the cancelling of grants to students.

The NDP pretends it to be its tradition to constantly knock governments. No one would have ever thought that when it came to government it would have had the gall to cancel those grants. It now has to deal with the reality of government.

As the hon. member was throwing some criticism at the government's side of the House, he should as a member from Ontario mention that one of the reasons why we are having so much difficulty in raising revenue from our business sector in the province of Ontario is the fact that the small and medium sized business sector has such little confidence. There seems to be a feeling that the New Democratic Party is not really as supportive of small and medium sized businesses as it should be.

If there were a way that the NDP could instil some confidence in business in the province of Ontario, it might cause a possibility where we could generate some more revenue to address this problem of student loans. I wonder if he could address that a little bit.

Mr. McCurdy: Mr. Speaker, there is no doubt that some significant elements of the small business community in Ontario share the same kind of irrational hysteria about the prospects of New Democratic Party actions over the next three additional years as this hon. member has displayed.

That is what it is. If there is a problem that small business has it is the horrible state of the Ontario economy. I do not understand why small business is running around hysterically blaming the New Democratic government for its problems while the federal GST, while the federal high value for the dollar, while the federal FTA generated recession and all of those things which have led to business bankruptcies at nearly the same level before the NDP ever came to government are largely responsible for its problems.

Mr. Mills: That is not how you instil confidence.

• (1310)

Mr. McCurdy Do you know the best way to instil confidence in Ontario? Everybody knows it. The hon. member down there knows it. It is to get this government out.

An hon. member: All right.

Mr. McCurdy: It is to get rid of the free trade agreement and keep the dollar down to 78 cents for another three or four years. This would allow us to bring about the industrial adjustment we should have had a long time ago.

Get rid of the FTA, hold back on NAFTA and make the investment in business, education and infrastructure that we need to make and you will be amazed at how much confidence will suddenly appear in Ontario, and even, I am sure, in the hon. member's mind as his hysteria, ill thought and ill gained hysteria, gradually mollifies.

An hon. member: I would have loved to be in your last university class.

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, I have a few words on this legislation. I was noticing that no other member was seeking the floor.

The bill before the House is a bill that deals with student loans, the lobbyists in Canada and the Small Businesses Loans Act. The Canada Student Loans Act, in the changes made here in this legislation, certainly does not address the major problem of Canada student loans in that they do not give students enough money to live on. Students, in order to go to university today in Canada, must either have money coming from relatives or the family or they must be working because the Canada Student Loans Act does not cover all of their living expenses.

Some students make do and lose a lot of weight during the year. Some of them do without adequate accommodations adequate food and this sort of thing. It is very difficult for anybody—impossible for anybody—to exist.

We now have the Government of Canada coming along, changing the law and making it worse than before by charging fees. Then we come to the section that deals with the lobbyists in Canada. I do not know why this section has been brought in requiring a fee to be paid. What we should be requiring is more information concerning the activity of these lobbyists.

Then there are changes to the Small Businesses Loans Act and the Fisheries Improvement Loans Act. Here we are in Canada, with our fisheries in eastern Canada in disarray with substantial cutbacks in quotas, and the closing of fishing areas all along the east coast. There is a bill now before the House of Commons to change loans that are granted under the Small Businesses Loans Act through a bank and guaranteed by the Government of Canada and also loans that have been granted for fisheries improvements by the banks guaranteed by the Government of Canada.

What would you say would be the subject of an amendment brought today? Here we are coming up to Christmas with quotas just announced, substantial cuts all along the east coast of Canada, a moratorium on northern cod and fishermen are told they are not allowed to go fishing and are going to get $406 a week to sit at home. They have all of these bills to pay. They owe the Fisheries Improvement Loans Act of the Government of Canada substantial amounts of money on loans that they obtained for equipment in the form of nets, gear, boats, pick-up trucks and whatever, as long as it

applied to the fishing operation. What does the Government of Canada do today in this House of Commons? It has changed the sections of the Small Businesses Loans Act and changed it all to $200,000 for both of the loans.

The government has not done anything for the fisherman who is having his home or his property seized and sold under this Fisheries Improvement Loans Act because the Government of Canada refuses to honour its commitment to the bank. No, it is not doing anything about that.

When a third party attachment is put on the man's other income or an attachment is put on his property by the bank, because the Government of Canada says it is not going to fulfil a guarantee under the Fisheries Improvement Loans Act because it is out of money for this year, is the Government of Canada saying today: "We are going to forgive the interest on those loans or forgive the principal of those loans"? No, it is not. It is not doing that at all in this legislation.

The government makes sure that in two sections of the amendments to the Small Businesses Loans Act it points out with regard to the Fisheries Improvement Loans Act, with loans previously made to a borrower who is also getting a loan through the Small Businesses Loans Act, that the limit of those loans will be $200,000.

It is not the person who took out the loan under this section of the act who is at fault. It is not his fault that there are no fish in the ocean and he cannot make the payments. It is not his fault at all. Whose fault is it? It is the fault of the Government of Canada. Why is it the fault of the Government of Canada? It is the fault of the Government of Canada because it mismanaged the resource for which he was given a loan, the fishery.

It was the Government of Canada that gave licences year after year and even this year to allow foreign nations to fish the spawning grounds of everything that is in the Atlantic Ocean. Today, when I checked on the telephone, I discovered that there are 14 Japanese ships fishing inside our 200-mile zone with licences from the Government of Canada. That represents a 100 per cent increase in the numbers of their licences compared to last year.

Mr. McDermid: What are they fishing for?

Mr. Baker: The hon. member wants to know what they are fishing for. The hon. member is a member of the cabinet. He should know. It is the Government of Canada that issued the licences to the Japanese last week. I will tell the House what they are fishing for, since the hon. member asked. Right now on their licences it says: "Unlimited fishing of tuna", and then it specifies bigeye, yellowfin, and albacore.

The minister asked me what is on their licences. I am going to tell him. It gets down to the very valuable fish that is in the ocean. In fact, if we had one of them we could get $20,000 for one fish. Can you imagine getting $20,000 for a fish? Today we can. That fish is called the bluefin tuna. The average size off the Newfoundland and Nova Scotia coasts today is valued at $20,000.

The minister just asked what is in the licences and what they are fishing for. I am going to tell the House what they are fishing for. The 14 Japanese ships have as a by-catch in that licence 180 tonnes of bluefin tuna inside our 200-mile zone.

• (1320)

The minister just asked me: "What are they fishing for?" I am going to tell him what they are fishing for: five times the quota of Quebeckers, five times the quota of Newfoundlanders, five times the quota of Nova Scotians, five times the quota of New Brunswickers.

The minister asked me what they were fishing for. I am going to tell him. Five times the quota of Prince Edward Islanders.

We get 35 tonnes. It was the minister who asked this question and I am answering him. We get 35 tonnes in our quota. They get 180 tonnes this year. The Government of Japan was notified through External Affairs, through the Canadian embassy in Japan three weeks ago, in a diplomatic note: "You can have unlimited quotas". It says shark, swordfish, and incidental species to albacore, bigeye, yellowfin, skipjack and all these other different types of fish, unlimited quotas with no limit. Today there are 14 ships, 300 feet long, with helicopters on the front. Compare that.

Do you know what the largest ship in Canada is? The largest ship fishing today off the east coast of Canada is 170 feet long, with helicopters on the front, with unlimited quotas, with a by-catch of 180 tonnes; while Newfoundlanders have 35 tonnes and Nova Scotians have 35 tonnes.

How did that happen? I will tell the House how it happened.

The minister asked me the question so I am going to give him the answer as it relates to this bill, with regard to the Fisheries Improvement Loans Act in this legislation.

It happened because of a recent meeting called the International Tuna Commission, at which Canada sat down with representatives from Japan and the United States. They decided the quotas in the northwest Atlantic Ocean. The northwest Atlantic Ocean is off the Canadian coast. Oh, what negotiators we have representing Canada. Oh, boy, did they ever hang tough. They went in there and supported the U.S. proposal, which was 1,300 tonnes for the United States, 750 tonnes for Japan and 500 tonnes for Canada. That is for bluefin. That is not counting the unlimited species of all the other vessels.

This is at a time when our fishery is in serious trouble and when people cannot find the money to make the payments on their boats to satisfy the requirements of this bill under second reading and to be passed by this Parliament here today.

If the hon. minister wants to ask me any more questions, feel free to ask me anything.

The double standard in this Chamber and in the Parliament of Canada is glaring. The double standard I am referring to is that a student loan obtained by a student going to one of our universities, vocational schools or trade colleges is now subject to a fee under this legislation. There are substantial cuts everywhere.

Just compare that to this double standard. I received a letter Friday from the Minister of National Revenue in answer to a question I had asked. I wanted to know how many people, under this government, making in excess of $100,000 a year were getting the GST rebate? It is amazing. How do people get the GST rebate designed for "low and modest income Canadians" if they are making $200,000 a year?

The minister answered in writing that there were 5,336 individuals with a total income exceeding $99,999 and 7,145 families with a total family income in excess of $99,999 who were entitled to receive the credit for this past year.

Just think of the double standard. Should somebody making $250,000 a year be getting something that was introduced by this Government of Canada, designed for and on the income tax form for modest and low income Canadians? The family allowance is to start on January 1. Should it be so designed by the Government of Canada that wealthy people can get the full benefit? No, it should not be. Not when it is cutting back on students, not when it is allowing drug prices to go sky high for our seniors, not when it is cutting back the provinces on health and education and not when it is forcing the hospitals to close beds. No. However, that is the double standard that has been recognized.

I wondered at what point in our history that programs designed for the low and modest income Canadians became payable to the wealthy in Canada. It is easy to find out because all income-tested programs in Canada are based on net income. In other words, you check to find out what is taken off your gross to arrive at your net on your income tax return and then you find out how these people are getting these payments and you discover certain changes have been made.

A change was made in 1988 in the Income Tax Act. A new line was put in. The line said exploration and development of mining, gas, and petroleum in foreign nations. For example, if people invest enough in Colombia or Myanmar, as Petro-Canada is doing, or in Vietnam in the Mekong Delta as a great many companies are doing, they can get their income down far enough to get the GST rebate.

Just think of the double standard between the rich and the poor and the double standard between people who are struggling to get an education as is pointed out under this bill, the Student Loans Act, and those people who are struggling to make an extra $250,000 a year and given preference by the Government of Canada.

This bill before us today rather than including changes that say that the Fisheries Improvement Loans Act will be matched up with the Small Businesses Loans Act in instances where the borrower has money obtained under both acts and that there will be a new $200,000 limit should do what the provincial governments of Canada have had to do. Under their loan acts relating to fisheries improvement they have forgiven all the interest. They have said: "Forget about it, we are in a very difficult situation in Canada so we will not go after you for the interest. We are going to forgive all this interest".

The Government of Canada is responsible for the state of our fisheries today, for the terrible condition of our fisheries today, and it makes no such offer.

I would suggest that before this bill goes any further the government should introduce an amendment to forgive all fisheries improvement loans of fisherpersons who are found in areas in which there have been substantial cuts in quotas and all fisherpersons who have loans under that act in areas that are currently under a fishing moratorium.

• (1330)

Mrs. Diane Marleau (Sudbury): Mr. Speaker, as usual I am always impressed by my colleague's speaking abilities.

I want to inform the member that in Ontario not only is the NDP government not considering students but it actually has decided to cut out the grant portion of any loans going to students. This will mean that the poorest of the poor now will have to finance most of their education through loans. Not only is there no forgiveness of any interest but the interest starts to accrue to the student the day he graduates.

I will tell you that many students in my riding who have graduated and have many loans have been absolutely unable to get jobs. Some of them are now living on welfare. This great and wonderful government of ours has set the collection agencies after them.

I repeat my story of people on welfare who are being harassed for the total pay-back of the loans. I am wondering if there is some way that we could consider with this particular piece of legislation a way of ensuring that those who have no jobs yet are not harassed. If they do get a high paying job, if they are lucky enough to get one, they should start repaying their loans and they should pay some interest. However, that is not the case in many homes. We have to start considering that.

We have to ask the government to consider that. Does the member think that perhaps he could give me an answer to that?

Mr. Baker: Mr. Speaker, I cannot for the life of me understand how a provincial government could take the unprecedented action of withdrawing its grant portion. I do not know of any other government in Canada that has done that.

British Columbia I suppose has done it as well. It is funny. What do Ontario, British Columbia and Saskatchewan have in common?

I was looking at the bond ratings the other day of Standard & Poor's, New York. They tell an interesting story. The credit rating for the Government of Canada for foreign paper, which does not account for very much in our economy or the business of the government really is not the foreign paper, went down. However, it also published the ratings and its projections for the future for provincial administrations. It was rather interesting that the province of Ontario today has a negative rating for the future.

Mr. Laporte: What about Newfoundland?

Mr. Baker: Newfoundland has a positive rating. It sure is not like Saskatchewan because Newfoundland has an A rating whereas Saskatchewan is triple B. Why does Saskatchewan have triple B?

Mr. Laporte: Why?

Mr. Baker: Saskatchewan, British Columbia and Ontario. The Government of Canada is bad enough to have its rating drop and to lose an A, but it is another thing for the great province of Ontario, which we all have such faith in and hope for, the industrial centre of the nation, to have a negative credit rating by Standard Poor's.

It is interesting to examine how it sets those credit ratings.

It set the credit ratings by looking at the governments and what those governments are doing. That is why Newfoundland has a positive rating and we are very proud of that. It is in the As.

The other thing that the hon. member mentioned was collection agencies and this thing has really got to stop as far as student loans are concerned. This is really outrageous by the Government of Canada. This has got to stop. They are hounding students who just came out of universities, trade schools and vocational schools day after day. They are threatening them. They are threatening single mothers who just came out of school.

These collection agencies are hired by the Government of Canada. I would like to see the deal it has. It should have to put on the table of the House why it selected certain credit agencies and what the deal is for the collections and who gave the orders. It is a most outrageous thing.

Concerning Ontario, I cannot understand it. I am surprised to learn from the hon. member from British Columbia that the British Columbia government allows the same thing, not to have a grant portion in student loans. That is absolutely outrageous.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, this debate today is an interesting one because it is on a bill that arises out of the government's last budget which we had hoped the government might have seen fit to replace with a new one.

I guess we are going to get what is called a mini budget or financial statement on Wednesday which I know everyone in Canada will be gripping their chairs for. I am sure their knuckles will be turning white as they look forward to the next instalment of this government's financial recovery plan.

I wanted to refer to some of the government's initial attempts at economic recovery in my speech today by reminding the House of what its Minister of Finance has said in years past. Like my friend from Broadview—Greenwood, I was first elected to this House in 1988, so our first opportunity to hear a budget speech occurred on April 27, 1989 when the now Minister of Industry, Science and Technology delivered his budget on television.

That was the leaky budget, as I recall. He delivered his budget on TV the night before, but on April 27 he went through the formalities of reading his speech. I thought it would be useful to quote from the speech because a lot of the things he said were so important.

He intoned these words so piously at the time, as I recall, as only the minister can. Perhaps members would like to hear his words. He said: "When I became finance minister the $18 billion debt had risen to nearly $200 billion". It was under, and he said: "The annual deficit was more than $38 billion. By then Canada had built into its public finances a self-propelling force that threatened to undermine our valued reputation for fiscal prudence and responsibility".

"The sad reality of debt is that it feeds on itself. It places a nation on a treadmill. Each year, added effort is required from its citizens to produce new revenues that merely go to pay the interest on a growing debt. We must ask ourselves whether this enormous debt should be our legacy to future generations". I will not quote everything he said.

"We would be borrowing from our children but not paying our own bills. It is easy to borrow from future generations because they have no voice in this debate. They have no vote, yet it is they who must live with the consequences if we do not act". That is what the minister said in 1989, almost four years ago.

I hate to keep quoting because I know it must be embarrassing to my friends on the other side, but I would like to read some more. "We recognized the seriousness of the debt problem when we came to office", he said with a straight face. "We have been acting to get it under control", he said with an even straighter face, I have no doubt. "We have succeeded in reducing the growth of the debt from almost 24 per cent in 1984 to less than 10 per cent last year".

I think he was referring to the percentage of the gross national product when you consider that it was almost frozen and considering the debt was growing in percentage terms at a slower rate. That is not surprising. Once it gets so big the rate naturally slows down.

"Despite that progress the debt is continuing to grow more rapidly than our national income. On April 1, the debt was $320 billion". We know that it is over $420 billion now, thanks to the incompetence of the government opposite.

• (1340)

He went on and this is a great line. I invite the Chair to listen to this with care. I am sure the Chair will remember hearing it on the occasion of his great budget speech:

"The budget measures will cut the annual deficit in half to $15 billion by 1993–94. Financial requirements will be down from $20 billion this year to $3 billion. As the deficit goes down, the debt will shrink as a proportion of our national income".

We have just been told that for 1991–92, instead of going down, for the fourth consecutive year the debt went up.

Mr. Harvard: Of course, Tory economics.

Mr. Milliken: They said it was going to $15 billion. It went up to $34 billion last year and it is projected to be higher this year, although we will learn more about that on Wednesday. This is Tory mismanagement on a very impressive scale.

An hon. member: Tory economics.

Mr. Milliken: The Minister of Finance for Canada, with a battery of economists behind him, the whole group of economists of the Bank of Canada behind him, was uttering this utter rubbish in a budget speech in 1989. We still get the same answers from the other side on this issue.

Let me quote from the budget speech of February 20, 1990, the very next year. You would think that by this year the Conservatives might have figured out that perhaps things were not quite as rosy as they were pretending. They do talk about slower growth in the years ahead and so on. They did not tell us we were going into a depression.

The speech stated: "In today's world sovereignty is not threatened by military force or aggression. Our freedom and opportunity to realize our dreams for ourselves and our children rest on our response to the challenge of a more competitive world in the throes of economic change".

This is the kind of stuff that the minister spouts in his budget speeches, but at the same time he is unable to carry through on his predictions. This is what he said about his 1990 budget: "The decisive actions in this budget"—imagine talking about this budget being decisive—"bring us back to the fiscal track set out in the 1989 budget". In other words, he admitted they had gone off the rails in 1989. I will say they hit the ditch. He said: "We will cut the deficit to $28.5 billion in 1990–91". We know they did not get the deficit down quite that far in 1990–91. They have not got it down that far in 1991–92 and they are not going to get it down that far in 1992–93. It has gone up significantly ever since.

He continued: "This deficit includes the impact of the one-time transition cost of sales tax reform including prepayment of the GST credit, the transitional grant to small business and the rebate of federal sales tax on inventories". We know the minister was wrong in that speech as well. The Prime Minister then replaced him. He realized there was no use hanging on to a bad thing. You get rid of it.

The amazing this is that after all that incompetence you would think the government would have some ideas. However, it is clear that this tired old government has run out of ideas.

Mr. Harvard: Right.

Mr. Milliken: It has run out of time and it has run out of ideas. I see the minister is fleeing the House. I would urge him to listen to what the Prime Minister said the other day when he was asked a question.

Mr. McDermid: I am going to be sick to my stomach.

Mr. Milliken: I can understand if the minister says he is about to be ill. Hearing the litany of complaints about this government should make almost any Canadian ill.

The Prime Minister was asked a very sensible question about the economy by the hon. Leader of the Opposition:

> When will he realize that it is time to have a policy that makes some sense and that will be conducive to creating growth in Canada so that the Canadian people can work and have the dignity of working?

That is what the Leader of the Official Opposition asked the Prime Minister in Question Period as reported on page 14103 of *Hansard*. What was the Prime Minister's answer? He said: "What would that policy be?" He had no idea. He had absolutely no idea and he is the Prime Minister of Canada. His Minister of Finance was sitting right beside him and might have whispered an answer to him to tell him what the policy might be, but he had no idea either.

Just to his other side sat the the former Minister of Finance, the Minister for Industry, Science and Technology. He might have whispered an answer. He is the one who was giving us all these great ideas in his budget speeches in 1989 and 1990. I know he gave them for four years before that and put us into the pickle we were in in 1989 thanks to his incompetence. He did not whisper any ideas to the Prime Minister to give him some reasonable answer to this question.

It is clear that this government has run out of ideas. It is completely devoid of any sensible approach in any department, let alone the Department of Finance.

Mr. Harvard: It is spent.

Mr. Milliken: As my friend from Winnipeg—St. James says, it is spent. It has spent its time. It has wasted its time. It has ruined Canada financially. It is time for the government to resign and get out of office before it does any more damage to our economy.

I want to turn to the bill we are debating today. Of course when I read from that budget speech I quoted a few moments ago, one heard the former Minister of Finance intone in his very pious way about how those of Canada's younger generation were voiceless in this debate and it was unfair to saddle them with the debt and that they were going to have to pay. This bill is part of the evidence that they are going to have to pay for this government's economic mismanagement of our economy.

This government has increased the charges to students under the Canada Student Loans Act. Starting on August 1, 1993 the six month interest-free loan period will be cancelled on Canada student loans. Students who have borrowed money will start paying interest immediately upon graduation instead of six months later.

That would be bad enough if the economy were in the position where it was easy for these people to find jobs, but we are finding increasing numbers of students who graduated from Canadian universities and colleges are unable to obtain employment.

Mr. Mills: The national average is 18 per cent.

Mr. Milliken: As my friend from Broadview—Greenwood says, the national average unemployment rate in that group is 18 per cent. Jobs are extremely difficult for these people to find. Yet at that time, the time when it is most difficult for them to find employment, the interest-free period is taken away.

The purpose of it in good times was to allow some period for these students to find employment. Now there is no period to be allowed for that and jobs are harder to find now than they have ever been since the Canada Student Loans Program was implemented.

We have one group of men and women to thank for that situation and they sit right over there, when they are here. That is where they sit. They are the ones who are responsible for it. They should get out and allow an election to be held so they can be replaced.

The second thing the government is doing is getting in league with Premier Rae. Premier Bob Rae has decided he is going to go after the students as well and he is taking away the grant programs.

An hon. member: It is like a two-headed monster.

Mr. Milliken: As my friend says, it is like a two-headed monster. Two greedy, grasping governments putting a squeeze on the student population of Canada.

I do not know where Mr. Rae got those notions. When he was in this House he used to spout the old NDP line that there was always something for everybody and they would not think of cutting any payments to students let alone any other disadvantaged group, but boy, put them in office and they act just like the Tories.

I spoke about this before. I have said how NDP members act like Tories. Some people in my own riding thought perhaps I was talking through my hat. Perhaps they will not think that way any more after watching Premier Bob and his slash and cut proposals to try to control the profligate spending in which he has been engaging in the province of Ontario.

It was only a year ago when he announced his $10 billion deficit that he said it was fiscally prudent to do that. Now he has realized that it was very imprudent and the fact is that his government is driving business out of the province at record rates.

Instead of having a growing economy we have a shrinking economy. Tax revenues are going down and the government is finding itself under increasing financial pressure. What does the provincial government do? It turns to the disadvantaged who do not have much of a voice and takes away the rights they have, just as this government does.

The Minister of Finance in his budget speech in 1989 said that these future generations had no voice because they are not voters. Now because they are not, he figures he can take away this privilege they have and there will not be much of an outcry about it among the majority of voters. That is exactly what he has done.

It is the same policy pursued by Premier Bob. My bet is during the constitutional discussions last year the Prime Minister took the premier of Ontario aside and explained to him the advantages of Tory financial practice. The premier being an NDPer swallowed the story hook, line and sinker.

There he is believing everything the Prime Minister says about how to organize the economy of Canada. He has followed the same advice in organizing the economy of Ontario to the detriment of Ontario students and frankly to the detriment of the long-range idea of funding education which was to provide a better educated work force for Canada which would make us internationally competitive.

• (1350)

We have the Minister of Industry, Science and Technology now that he is in that new portfolio talking about the great advantages of Canada's work force because it is so well educated and so capable. On the other hand, his colleague, the Minister of Finance, the new one, is having to pay for the mistakes he made when he was in that portfolio by slashing and cutting all over the place.

What did he do? He slashed and cut the grants to students through the Ontario scheme and cut the interest benefit to students under this scheme and thereby deprived Canada of the advantage it might have otherwise had by having a well educated work force.

Why would the government cut back the spending on education and research in Canada when it is the thing which creates the advantage Canada enjoys in world markets? The government keeps talking about world markets and how we are a global economy.

That is one of the favourite expressions of ministers on the opposite side. They talk about global competitiveness and world competitiveness and how important it is that Canada be able to compete. At the same time, they take away that advantage of competition we have through a well educated work force when they trim the expenditures on education and that is where they have gone to do it.

The government also introduced the 3 per cent administrative fee on Canada student loans. We know how that works. If people in other businesses have to pay this kind of fee they always object to it quite vigorously. Students take it in the neck. The government charges 3 per cent when the student takes out a loan.

Mrs. Marleau: You have to pay it before you get the loan.

Mr. Milliken: As my colleague from Sudbury says, a student has to pay that before getting the loan. It is charged as part of the debt too. It is added in. The student promises to pay for more than he or she actually got.

An hon. member: A front end load.

Mr. Milliken: It is a front end load, as my colleague says. It is an unfair charge. It is gouging these people.

I suspect that the ultimate beneficiaries of all this are the banks. We of course have a case of record profits being made by the banks in Canada this year. That is not surprising given the bank charges and the height they are at which of course the government will not do anything about. It says: "Oh, no. That is private enterprise. We'll leave that alone. We won't touch that".

The provinces are pressed in many cases. Because of that of course no taxes are paid. We have these large write-offs for some of the banks this year because of some investments which have gone sour. One suspects part of the reason the investments have gone sour is because of the policies pursued by the government opposite. There seems to be a vicious circle going on. I am sorry that is the case. The government and the banks seem to be in some kind of league in this regard. One benefits while the other does not, but at least they help each other out.

Let us turn to the second part of the amendments we are dealing with today. I think there are three parts, but I am going to speak on only two. The second part concerns the amendments to the Lobbyists Registration Act to allow the government to charge the lobbyists for the cost of administering this act.

An hon. member: It is a farce.

Mr. Milliken: As my colleague says, this is a farce. The government brought in this act which is pretty weak. It forces registration on lobbyists. Big deal. These lobbyists have to file a little statement saying that they are lobbying for so and so. It is strictly cosmetic. It has no particular advantage. It does not require sufficient detail to enable the interested public to follow what is going on here.

This was a bow in the direction of reform of our institutions to ensure that people were not getting unfair advantage. It was a bow about that far, Mr. Speaker. You get my drift. It was not what you would call a humble bow in this direction.

The government introduced this Lobbyists Registration Act so that it would look as though it was doing something to correct what was perceived by the public at the time, and I suspect still is in some quarters, to be an abuse of the system, whereby these lobbyists charged thousands of dollars to arrange an appointment for a group to come and see the minister.

I see one of the ministers is in the House today. I do not know what lobbyists charge to arrange an appointment with her. It may be a high fee. Perhaps she could tell us in questions or comments on my speech. She could tell us what it costs to get to see her.

An hon. member: What speech?

Mr. Milliken: I am making a speech now. If the hon. member would pay some attention he might notice that a speech is in progress. I am sorry I woke him up.

The fact is that this is what is going on. There is this charge being made in order to arrange an appointment with a minister of the Crown.

What the government decided to do was rather than have that revealed it would have a registration. It would sound good to the public if it was announced that all these lobbyists had to register. So register they do under this act.

Now the government has to pay money to public servants to administer the registration book. Somebody has to write the material into the book and I guess it is a little complicated. I suppose there is probably a computer entry. Perhaps they do not do it in a book any more. Whatever it is, forms have to be designed, printed and sent out to the lobbyists, or the lobbyists pick them up at an office which has to be manned.

I do not know what is there. I have never been to the lobbyists registration office, not being a lobbyist myself. I do not know whether any of my colleagues have been. I do not know how many people work there. Whatever it is, it is costing the government some money and the government has decided to recoup the cost. How is that done? By charging the lobbyists.

I can imagine the Governor in Council when this regulation is passed will make sure that the fees are lowest for the big firms that employ the fat-cat Tories. The fees will be highest for the small firms that have relatively independent lobbyists running and working for them.

I can only guess that the power being requested in this bill will be abused, as has been the trust of the Canadian people by this government for the last eight and a half years.

It is time for the government to face reality. It must allow the people to pass judgment on the medicine it has been doling out to the Canadian public on the kind of legislation it introduces in this House that the Canadian public is sick and tired of. It should call an election and let Canadians express their views as to whether this government's record and its proposals are worthy of any support at all.

[*Translation*]

Mr. Nic Leblanc (Longueuil): Mr. Speaker, since we are talking about a money bill, I would like to remind the House and the hon. member in particular that a lot of money is being wasted by the federal government because of duplication by federal and provincial departments. For instance, the federal government is again getting involved in manpower training and the education of our young people.

In Quebec we have a department of education that is particularly well represented and well organized. I keep wondering why the federal government wants to interfere with manpower training and with our secondary and post-secondary education.

We need colleges, especially in the technology sector, which meet the needs of Quebec small business, instead of letting the federal government interfere with education in Quebec.

It seems Ontario has decided not to do anything about education—remember, this is an NDP government—but I do not agree with its philosophy. In any case, in Quebec we have a responsible government and have had one for many years. If we really want to save money because the federal government has a cumulative debt of about $450 billion, it seems to me the first thing the government should do is to withdraw completely from this sector and let the provinces manage education. I am convinced the provinces would be able to operate more satisfactorily and be better able to meet the needs of small business. As a result we could increase productivity and meet the challenge of international competition.

I would like to hear what the hon. member has to say about this.

Mr. Milliken: Mr. Speaker, the hon. member said that the federal government should drop its programs in the field of education. I disagree. I think the federal government has a role to play in educating Canadians. I believe the federal government should set a minimum standard for educational requirements. We need national standards because the provinces differ in this particular area. Of course that is good, but we must find another way to set these national standards for everyone in Quebec and in the other provinces which have different standards, as I was saying.

I would like to continue but my time has expired.

[*English*]

Mr. Speaker: It being two o'clock p.m., the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

THE 1992 GREY CUP

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, with due apologies to our colleagues from Manitoba, I am sure that all other members will join me in congratulating the 1992 Grey Cup champions, the Calgary Stampeders.

Doug Flutie was simply outstanding on Sunday, as he was the previous week. His teammates deserve the respect of all of us, as do the Winnipeg Blue Bombers.

This was the first championship for the Stampeders in 21 years. The team has provided fans with some of the most memorable football action we have seen in decades and certainly earned the honour.

I am glad to see there were many westerners on hand at the SkyDome to cheer on two western teams playing for the championship this year.

Among the real winners were the CFL fans. Despite the financial burdens many teams have been faced with, the players, coaches, managers and spectators of all eight teams have continued to enjoy quality football all season long.

There must be many more seasons for the league and many more memorable moments to be seen by CFL fans from coast to coast to coast. Most important, there is next year's Grey Cup game which I am predicting the Edmonton Eskimos will win.

* * *

WORLD AIDS DAY

Mr. Garth Turner (Halton—Peel): Mr. Speaker, there is no cure for AIDS. Each day it afflicts new victims across the world, across income groups, across sexes and now even across generations.

We as a society need to be doing much more to raise awareness, raise money and conduct much more research and development in the cure for this disease.

AIDS is a tragedy that cannot be allowed to spread and flourish in Canada or in any country of the world. Tomorrow is World AIDS Day.

I ask each member of this House, each of my constituents and every Canadian to take a few moments to reflect on the magnitude of the task that confronts us.

AIDS is a disease which can be stopped and must be stopped.

* * *

DRUGS AND PHARMACEUTICALS

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, we hear again that the pressure from multinational drug companies is driving Bill C-91 through Parliament by closure and by abridgement of the democratic rights of Canadians to be heard on legislation that affects them.

Now we read in today's *The Globe and Mail* that the Liberal opposition has also been toned down. First the drug companies were on the line to the Liberal consumer affairs critic to tell him to support the bill. Then the Liberal science and technology critic advised his caucus colleagues that he supported the provisions of Bill C-91. Now the Liberal leader has leaned on his consumer critic to tone down the criticism.

Just where do the Liberals stand on this important matter? Is it with the consumer affairs critic in the committee or with the Liberal leadership in the back room where the campaign funds are raised and deals are cut?

As with the Canada-U.S. Free Trade Agreement and so many other issues, the corporate elite in this country demand and get in one way or another subservience from both the Tories and the Liberals.

* * *

BANKRUPTCY AND INSOLVENCY ACT

Mr. Ken James (Sarnia—Lambton): Mr. Speaker, today marks the beginning of a new era for businesses and individuals experiencing financial difficulties. Today the new Bankruptcy and Insolvency Act comes into force.

This is the first time in 43 years after six failed attempts between 1975 and 1984 that such important and crucial amendments have been made to the bankruptcy legislation.

These amendments will help Canadian businesses, big, medium and small, to be more competitive and to preserve jobs. Businesses experiencing financial difficulties will have more time to reorganize, protect jobs and address financial problems.

Unpaid suppliers will now have the right within 30 days of delivery of goods to a firm that subsequently goes into bankruptcy or in receivership to reclaim goods that are clearly identifiable as theirs.

There are also a number of other measures to help consumers, such as the opportunity to make arrangements with creditors to prevent bankruptcy, a simpler and less expensive bankruptcy process.

These reforms demonstrate the government's commitment to put in place economic policies that will enhance Canadian competitiveness and prosperity.

The minister and our members of Parliament should be congratulated for finally achieving these long, overdue reforms.

* * *

MUNICIPAL INFRASTRUCTURE PROJECTS

Mrs. Christine Stewart (Northumberland): Mr. Speaker, the Liberal Party of Canada has consistently requested the federal government's support of nation-wide municipal infrastructure projects as one means of kick-starting our failing economy. Instead *ad hoc* government policies of program cuts increase taxes. Expensive studies instead of action further weaken our economy.

Canadians need jobs. Municipal infrastructure projects will create jobs.

Northumberland, lying on the shores of the world's largest inland waterway, depends on harbour maintenance and development for a large part of its economic well-being. Trenton, economically hurt this year by unprecedented job losses, has an undisputed need for marine and harbour development. Port Hope's harbour is becoming unusable as a result of silting.

When will this government recognize these small harbour needs, support municipal infrastructure projects of all types throughout Northumberland and get our economy going? Employment and development spin-offs will soon compensate for costs through new taxable income and less unemployment insurance and welfare payouts.

S. O. 31

GOVERNMENT CONTRACTS

Mr. Ken Atkinson (St. Catharines): Mr. Speaker, in 1991 the government awarded a large contract for the construction of 12 mine countermeasures vessels for the Canadian forces to SNC–Lavalin group with the ships being constructed at Halifax–Dartmouth shipyards.

I along with many people in my riding were disappointed with this announcement as St. Catharines is home to Port Weller Dry Docks which had bid on this contract.

There were many critics who claimed that this decision was purely political and that the government had interfered in the ultimate awarding of the contract.

The Auditor General in his latest report has examined this contract and at page 447 states: "We examined the planning phase and options analysis for this project. The department carried out an adequate needs analysis and fully analysed the options for meeting the needs as well as the vessel options presented by the bidding firms".

We are proud of the people of Port Weller and of their record for producing and repairing ships on budget and on time.

I trust that this report of the Auditor General will relieve concerns that this contract was awarded unfairly.

* * *

OZONE LAYER DEPLETION

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, 1992 is the worst year ever recorded for ozone layer depletion. People are at risk of skin cancer, blindness and even a weakened immunity system because of increased ultraviolet radiation.

In response to this spreading global danger, last week the Government of Canada failed to take tough measures. Despite the UN warning that the ozone treaty is not enough, the government supported watered down measures.

The government accepted the timetable for the phase-out of hydrochlorofluorocarbons to be lengthened by 10 years, thus opening a loophole that allows further damage. It rejected a U.S. proposal to control harmful methyl bromide, a chemical 40 times more destructive to the ozone layer than chlorofluorocarbons.

We urge this government to launch programs that help developing countries eliminate methyl bromides, through increased research and the transfer of technologies.

It is time for this government to start practising what it preaches.

* * *

WESTERN DIVERSIFICATION

Mr. Ken Hughes (Macleod): Mr. Speaker, last week as I met with Albertans I asked for suggestions that I could pass along to the hon. member for Vegreville, the Minister of Finance, as he prepares for his statement in this place on Wednesday.

I received quite a few. However, nobody made the silly suggestion put forward by the Reform Party which says that we should get rid of western diversification but keep regional development operations that assist Quebec, Atlantic Canada and northern Ontario.

Maybe the Reform leader does not like the fact that western diversification requires businesses to repay their loans. We Albertans have learned that neither consistency nor the facts get in the way of Reform tactics and their so–called policies.

Albertans did have many constructive suggestions which I continue to pass along to the minister. A few examples are to cut all grants by at least 50 per cent, eliminate all government TV advertising, and reduce the number of government employees.

* * *

TRADE

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, whatever happened to the Liberal's fight of their lives over free trade?

First, they voted with the Conservatives to oppose an NDP motion to scrap the Canada–U.S. free trade deal. Then they voted with the Tories against having trade committee hearings in every province in Canada and to the proposed North American free trade agreement.

• (1410)

It is obvious why they did that. They had no idea who might be concerned about the proposed trade deal. They did not recommend a single witness for the trade committee hearings currently under way in Vancouver. It is obvious they want to conduct trade deals the way the Tories do, in secret.

Not to be outdone, the Liberals in the B.C. legislature voted against a government sponsored motion calling on the federal government to pull out of the NAFTA talks.

It is clear Canadians can count on only one party for clear and consistent opposition to the Tory trade deals: Canada's New Democrats.

* * *

CORN AND SOYBEAN PRODUCERS

Mr. A. H. Harry Brightwell (Perth—Wellington—Waterloo): Mr. Speaker, the corn and soybean producers of Ontario are in a crisis situation this year.

Normally by the end of November all of the soybeans and most of the corn would be harvested. This year depending on the region, between 20 and 60 per cent of the soybeans and 80 per cent of the corn are still in the fields. Many farmers with no livestock have no source of income. Livestock farmers are faced with having no feed or very poor quality feed so that their cash flow is eroded.

The corn producers have proposed the adjustment to the Advanced Payments for Crops Program to include these crops not yet harvested but covered by crop and revenue insurance. The corn producers' request would cost no more than the normal advanced payments program and any risk is eliminated because coverage is ensured.

I urge the government to respond positively and quickly to this request for assistance.

* * *

CANADIAN FOOTBALL LEAGUE

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I would like to join in congratulating the Calgary Stampeders and their fans on the Grey Cup victory last night.

If it could not be Winnipeg, I am glad it was Calgary. They added another illustrious chapter to the Grey Cup history which has been part of Canada for the past 80 years.

The game last night reminded us that the CFL is a cherished institution for Canadians who care deeply about its distinct rules, its players and what it means to individual communities. Too many Canadian institutions and traditions are disappearing. They are being swallowed up, each time chipping away at our own sense of identity.

I urge all members of Parliament to engage in a serious debate on the question of CFL expansion to the United States, rather than taking a hands-off approach. I will be introducing a private member's bill to engage Canadians and their members of Parliament in this debate.

Putting it simply, it is the fourth quarter with only minutes to spare. If we fumble we could lose the whole game.

* * *

VIOLENT CRIME

Mr. Bill Domm (Peterborough): Mr. Speaker, I rise today to applaud the efforts of those action groups currently working on behalf of victims of violent crime, groups such as CAVEAT, organized by the family of murder victim Nina de Villiers, and Victims of Violence International, originally organized by parents and families of abducted and murdered children. These are only two of many groups in Canada working for change.

I believe we need to extend the minimum terms given to those offenders who commit crimes against women and children. We must reconsider the negative impact these offenders have had on our society and treat them accordingly.

I believe we need to take a new look at the Young Offenders Act. We need to reduce the minimum age from 18. We need to take a tougher stand with those young adults committing serious violent crime.

I have received and presented petitions containing thousands of signatures in support of such action.

I believe along with the majority of Canadians that the time has come for the government to take another look at the way we deal with violent offenders and to take action to improve the situation.

* * *

AIRLINE INDUSTRY

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, Canada's airlines continue to suffer from the effects of deregulation and this government's mismanagement of the Canadian economy. They also continue to battle for survival.

In recent days, both Canadian Airlines and Air Canada have taken positive steps to improve their financial positions by raising fares by 5 per cent. These steps were only necessary because the airlines were engaged far too long in self-destructive and unneeded competition.

Raising fares will improve Air Canada's and Canadian's balance sheets, but they keep harming themselves by continuing to overlap departures and arrivals between too many city pairs.

The time has come for the Minister of Transport to sit down with the airlines and help them hammer out an agreement that will allow them to serve travellers in each market fully, yet effectively.

This may sound like deregulation to the minister. If it will save him embarrassment he can call it anything he likes. The critical need right now is for action that will allow the two airlines to compete fairly and sensibly.

* * *

[*Translation*]

VIOLENCE ON TELEVISION

Mrs. Lise Bourgault (Argenteuil—Papineau): Mr. Speaker, first, I would like to pay tribute and express my admiration to Virginie Larivière for her determination and courage in trying to eliminate violence from television. As the adoptive mother of a 13-year old boy, I am able to see every day the kind of children's programming available, most of which has violent images or appeals to violence.

Second, I would like to ask the millions of people who signed Virginie's petition and all those who support her efforts to do something concrete in this Christmas period by not buying violent or violence related toys and music. Through their individual actions people will show manufacturers and legislators that we take this issue very seriously.

Once again, congratulations, Virginie Larivière, and do not give up.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, my question is for the Minister of Finance.

Last week the Minister of Finance told Canadians that the recession was over in this country. This week, adding insult to injury, the Minister of Finance has declared that a 10,000-person lay-off at CN is, according to the minister, none of this government's business.

Will the Minister of Finance retract these cold and I suggest callous statements made just days before his mini-budget statement? Will he acknowledge that the recession and Canada's unemployed are real and are the primary responsibility of this government and this minister?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I wish to advise the hon. member that his conclusions are wrong on both counts.

What I did say in the House was that of last week we had five consecutive quarters of growth. With the third quarter GDP figures out today it is now six consecutive quarters of growth, registering 1.4 per cent annually in the third quarter of this year, a 5.3 per cent increase in domestic demand, a 3.5 per cent increase in consumer demand and major increases in investment and machinery and equipment. Those are all positive indicators for the economy.

With respect to the reference to CN, what I did say was that there were programs available and the Government of Canada would be working with these organizations to ensure that they could effectively utilize the programs available under Employment and Immigration and any other programs that might be utilized in cushioning the blow of this adjustment that was taking place.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, the minister now wants to be a credible forecaster. Let us look at his record as a forecaster.

In last February's budget the minister forecast unemployment in Canada this year at 10.1 per cent. It now stands at 11.3 per cent. The minister forecast growth at 2.7 per cent and, as he just said, it now stands in the third quarter at 1.4 per cent. The minister forecast a deficit of $27.5 billion and in the first six months of this year it has already past $19 billion.

This minister is no forecaster and he is no Minister of Finance if he continues to insist that Canada's unemployed are somebody else's problem.

I want to ask this minister whether or not he will commit himself here and now in the House of Commons, before the people of Canada, to bring down a mini-budget or a budget or a budget statement, whatever it is called, in 48 hours that will quit wishing for recovery and will start putting people back to work in this country?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I think all forecasters were left somewhat surprised at the projections that they made in all the industrial countries with respect to global growth. The world economy is growing at a rate of 1 per cent.

In 1992 the G-7 group of countries was expected to grow in the vicinity of 3 per cent. It is now probably something in the order of 1 per cent to 1.5 per cent. The Canadian economy is weak because the world economy is weak. Because we are a country that trades with the world global interdependence is a fact of life, globalization is a fact of life. We have to trade with other countries.

What we will be doing in the future is trying to take steps that will help the recovery that is occurring. The rate of growth in the third quarter is 1.4 per cent on an annual basis. That is six consecutive quarters of growth. We will do whatever we can to facilitate and encourage that.

• (1420)

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, the minister is back to forecasting. Let me quote from the budget speech delivered by the minister last February:

> More than 500,000 jobs will be created before the end of next year—

That was from the minister's budget speech to this House. Mr. Speaker, 500,000 jobs have not been created in Canada. In fact since the minister uttered those words an additional 156,000 jobs have been lost in Canada.

Some hon. members: Shame, shame.

Mr. Tobin: Mr. Speaker, we want to ask the minister whether or not he is prepared to commit to Canadians who see unemployment now standing at nearly 1.6 million that he will deliver an economic statement in two days that will put people back to work in this country.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, as well I was not able to predict the massive depletion of the northern cod stocks in his own province of Newfoundland—

Mr. Tobin: We did.

Some hon. members: Oh, oh.

Mr. Mazankowski: —and the consequences of that both with respect to the fishermen and the fish plant workers. This government took action to deal with that particular issue. A number of unpredictable developments have not only occurred in Canada but indeed have occurred throughout the world, and we recognize that.

If the hon. member just holds on to his seat and is a little patient I think he will be surprised as to what we will offer, bearing in mind that we have very little room to manoeuvre. It is very tight in terms of our manoeuvrability given the fact that the revenues are down. Because of the revenues being down we lack the flexibility to act perhaps as aggressively as the hon. member would like.

I will certainly take his recommendations into account as I put my statement together. It will be an economic statement on the future, on the fiscal outlook, as well as on the economic outlook.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I would like to ask the Minister of Finance a question as well. It is about a confidential report prepared by his department which shows how business executives in Canada are focusing on the deindustrialization of this country. I quote:

> Some manufacturing companies have made a decision fairly easily after free trade to shut down Canadian activity, and just use sales staff in the Canadian territory.

Having had this report for over a year, keeping it secret and doing nothing about it, will the minister finally admit that the deal is working to lose jobs in Canada? Can we expect that in his report on Wednesday the Government of Canada will finally take its responsibility and have an economic policy that will encourage companies to stay in Canada, not drive them away?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the evidence at hand is entirely contrary to that.

With respect to the story the hon. member referred to, I am sorry to advise him the story is wrong. This was not a government commissioned study. It was an unsolicited report that was sent to the Department of Finance. We kept it on file and released it under the auspices of Access to Information. It was not, as the report has suggested, a finance department authorized study.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, the fact that it was not prepared by his department perhaps means that it has more credibility, is more honest and is more objective.

Does the minister mean to say that unless his own officials prepared the document he will not even bother reading the report by a reputed academic from the University of Western Ontario which says clearly that we must find ways to minimize the negative impact in Canada and to provide serious adjustment programs to help the many workers who are losing their jobs?

Is it not time that the minister and his government started to renegotiate a bad trade deal and did something about workers who are losing their jobs?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I was merely trying to point out the facts for the hon. member. I am sorry he is so worked up about it.

I must say that I would rather read the C. D. Howe report on the success of the free trade agreement, the fact of the matter that there have been jobs created, particularly in those areas of manufacturing.

Quite frankly the evidence is very clear that in the first nine months of this year exports to the United States have increased by 10.5 per cent. Since the free trade agreement came into effect I think the exports have increased to the United States by something in the order of 16 per cent.

What is really important is that in those high value added, job intensive areas exports have been increasing. That should be good news to the hon. member, even in Winnipeg, because it too is a very major source of manufacturing. It is a very good city and a very effective city in terms of manufacturing of exports to the United States of America.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, the chartered banks in this country are reporting record profits: $676 million for the Bank of Nova Scotia and $640 million for the Bank of Montreal so far.

Today we just heard from the National Council of Welfare that Canada has made little real progress in the last 10 years in dealing with poverty. There were 3.8 million poor Canadians in 1990, over 1.1 million of them children, and there are probably an additional 800,000 poor Canadians as a result of this recession.

Is this the kind of country the Minister of Finance thinks Canadians want, where poverty is getting worse for people and bank profits are at record heights?

[*Translation*]

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I have had an opportunity many times to answer the question on child poverty and to emphasize what the government has done within its means for Canada's children. The National Council on Welfare report says today, among other things, that the government should be commended for the $15 billion it has invested in its departments, including the $2.1 billion increase over five years.

In answer to questions on child poverty last week and the week before, I said that governments and all concerned should do everything to try to overcome and eliminate child poverty as much as possible. Again I call on my colleague, as I have called on others, to give us all the measures we need to achieve these objectives.

[*English*]

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, in fact today's report makes a very important point that poverty gets worse when unemployment goes up.

I have here a confidential 1991 study on free trade effects prepared for the Department of Finance indicating that many company executives were warning finance that free trade would continue to lead to significant job losses for Canadian workers.

Why has this government pushed ahead toward North American free trade when it knew from its own studies that this would lead to increased unemployment and increased poverty for many Canadians?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I have in my hand a report issued by the C. D. Howe Institute, dated October 20, 1992. If the hon. member has not read it perhaps he should.

It starts out by saying:

> Three years after its implementation, the Canada-U.S. Free Trade Agreement—is working to Canada's benefit—the data on Canada's external trade over the past three years do not support the view of critics that the FTA has led to widespread job losses or that Canada has become merely a provider of natural resources to the U.S. economy—.Canadian merchandise and service exports to the United States have thrived—both absolutely and relative to Canada's exports to the rest of the world—in most sectors that were liberalized under FTA. In fact, he says, Canada has gained most in exports of non-resource based, high value added manufacturing products to the United States—areas that are crucial for the—growth of the Canadian economy.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, in the three years before the free trade deal came into effect the exports from Canada to the United States went up by over 7 per cent. In the three years that followed the free trade deal those increases were only 4 per cent. Moreover, Canada's trade deficit with the United States on issues including services and goods decreased during that period. The trade situation was worse.

• (1430)

[*Translation*]

According to this study on poverty which I quoted today, the largest increase is in the number of poor children. Often children are poor because their mothers cannot work. Is the minister prepared to announce an initiative to increase the number of child care spaces in his statement on the economy this week?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member wants to quote his evidence. If he did not get a chance to read *The Globe and Mail* editorial on November 28, perhaps he might be interested in what it has to say. I quote:

> Hewers of wood and drawers of water no more: manufacturing now accounts for fully half of Canada's merchandise exports, against less than a third just a decade ago.

It goes on to say:

> September's $13.1 billion in total merchandise exports was an all-time high, as was the $10.3 billion that went to the United States. Since the last quarter of 1991, exports have jumped 11 per cent to an annualized rate of $157 billion—exports as wheat (up 37 per cent so far this year) and natural gas (up 21 per cent), but also industrial machinery (18 per cent), office equipment (8 per cent), auto parts (19 per cent), heating and refrigeration equipment (19 per cent), electric lighting (16 per cent) and perhaps surprisingly—

Mr. Speaker: I think we will have to move on.

* * *

AIRLINE INDUSTRY

Mr. John Manley (Ottawa South): Mr. Speaker, the Minister of Transport was quoted in the Canadian press today as saying that he does not want to end up in jail by encouraging an end to the destructive competition in the airline industry.

If the minister is worried about jail terms, then surely so would the company officials be concerned with such a discussion.

Given this situation, how does the minister expect the airline crisis to resolve itself? Does he have a plan for re-regulation or changes to the competition law and, if so, when is he going to announce it?

[*Translation*]

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, we announced the government's position last week with a loan guarantee of $50 million to Canadian Airlines–PWA so that it can pursue all its options in restoring the company to profitability.

[*English*]

Mr. John Manley (Ottawa South): Mr. Speaker, the government has given Canadian Airlines $50 million in order to buy its silence at the next stage in this affair.

Yesterday it announced it was not paying its creditors. Meanwhile, the minister says he is afraid of going to jail so he has to sit on his hands.

Is the government just going to sit back and wait until the next crisis puts one or both of these companies over the brink? Does it have a plan of action or is it ready to admit that what it really foresees is a one airline policy for this country?

[*Translation*]

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I think that the nonsensical statements by the member for Ottawa South on this issue are more harmful to the stability and profitability of the two airlines. I would hope his statements will be more sensible.

* * *

[*English*]

EMPLOYMENT

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

Not since the depression have the Canadian railroads been in such difficulty. Since this government took over in 1984 one in three workers has lost his or her job. Now the government has failed in its interprovincial trade strategy, in its tax reform strategy, in its infrastructure strategy and it has not even responded to its own royal commission.

Can the minister not offer the workers of western Canada one single idea of how their jobs are going to be protected and enhanced in the next decade?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, the previous MP mentioned that the government had bought the silence of PWA. First of all, I think it is an insult to the intelligence of the Canadian taxpayers. The Council of Employees that are involved in this transaction have also recognized that the government has made a good gesture toward the survival of the Canadian Airlines company.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, I am not sure what PWA has to do with the rail system but perhaps the minister will answer the supplementary question.

An hon. member: No wonder we are in trouble.

Mr. Walker: However, it is not just the airlines. It is the railroad. It is the roads. It is the infrastructure. The whole transportation structure in this country is falling apart because the minister does not know one component from the other.

I ask again, is it not time the minister brought together the shareholders, people who understand the industry, to come up with a game plan that makes sense for Canadians and starts to protect this industry again?

Hon. Jean Corbeil (Minister of Transport): I did not know the Liberal Party had endorsed the overturn of the NDP.

We are working with the different companies. Last year we worked with the trucking industry to reinforce its competitive aspects and survivability. We are working with the airline industry to put it back in its profitable state and we are doing the same thing with all industries in the transportation sector.

* * *

BILL C–91

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs.

The present process for considering the new patent drug legislation does not allow for any meaningful representation by Canadians who are concerned about the price and availability of drugs. Some of these Canadians are demonstrating for low cost generic drugs on the Hill today.

The provincial ministers of health have formally requested a delay in order to allow for a full and thorough review of Bill C–91. Will the government delay the passage of Bill C–91?

Mr. Speaker: I have to advise the hon. member that I think it is quite clear that is a question that should go to the committee alone and cannot go to the minister. Perhaps the hon. member has a supplementary question.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I would ask the government: Why is there the rush to pass Bill C-91 in spite of the interests of Canadian families and seniors?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, as you pointed out, the bill is now in committee. I think the government's policy is widely known. We believe that bringing Canadian legislation into line with intellectual property legislation in other industrialized countries will put Canada on an equal footing. Since 1987 our policy has attracted investment totalling $1 billion, and since last January commitments totalling $500 million across Canada, this coupled with a strengthening of the rules of the Drug Prices Review Board. I believe consumers stand to gain on all fronts.

* * *

[*English*]

EMPLOYMENT

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, my question is for the Minister of Finance.

Over the last three years more than 200,000 metro jobs have been leeched into the Tory monetary sewer. Bureaucracy alone stands between 112,000 workers and $9 billion worth of local construction projects.

Is the minister leaving hundreds of thousands of Canadians without jobs during Christmas so that he can position his capital spending projects closer to the election?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I disagree entirely with the hon. member's allegation.

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, we are waiting for capital spending from a spent force in the capital.

This government's so-called economic fundamentals have fundamentally strangled all growth and job creation in the small business sector. The government blames the banks for the credit crunch but it is its own low inflation policy that has made small business loans too risky for many lenders because company assets will not rise in value as quickly.

I ask the minister to accept that his policies have been a tragic miscalculation and to have the courage to reverse them before small businesses get even smaller.

• (1440)

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I suppose I can take it from the hon. member's question that she is in favour of high inflation and more government borrowing and higher interest rates. If she is in favour of high inflation then she is in favour of higher interest rates. That is not a policy we support.

* * *

EAST COAST FISHERY

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I have a question for the Minister of Fisheries and Oceans.

The minister says that restructuring is a prerequisite to a bail-out in the east coast fishery. Could he be just a little bit more specific? Who is going to be affected?

Will the government continue its policy of driving fishermen and plant workers right out of the industry altogether with no place to go, or will he now commit to a long-term adjustment program that provides the necessary support to all affected fishery workers, fishermen and plant workers?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, the government has no policy of driving fishermen or fish plant workers out of the fishing industry. However, the government does recognize, as does the government of Newfoundland and Labrador, as does the government of New Brunswick, as does the government of Nova Scotia and as does the government of Prince Edward Island, that there are too many fishermen in the industry at the present time.

There is too great a fishing effort being exerted on the fish stocks that are available to us. There are about 84 per cent more fish processing plants than the industry needs. The processing plant capacity in Newfoundland, for example, is 20 per cent used.

These are some of the reasons why the industry is having the difficult time it is having. We have to match all of those assets to the resources.

As part of the northern cod moratorium, we are attempting to provide early retirement packages for fishermen over the age of 55. We will be announcing a program of licence reductions in the future. We are going to professionalize the fishery.

An hon. member: Time.

Mr. Crosbie: This is all very interesting. You should not call time when I am trying to explain the program.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, the minister loves to decry the excess processing capacity in Newfoundland. Why does he not 'fess up and tell the House that he was in the cabinet that approved most of the excess capacity when he was a provincial minister.

The minister's policies are creating two classes of fishermen, those who are getting some assistance in these difficult times, and those that are left to fend for themselves.

Despite his announcement last week, I have to say to the minister that fishermen and plant workers are still falling through the cracks, including those who are suffering terribly on the south and west coasts of Newfoundland and elsewhere across the Atlantic.

What does the minister have in mind? What further measures does he have to aid all those people who are the real victims of quota cuts and catch failures?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I believe that the hon. gentleman will acknowledge that I have made every effort to assist the fish plants and fish plant workers and fishermen in his own district of Burin-Burgeo.

As a result of the effort put into it—and in all modesty, I had something to do with it myself—the plant at Grand Banks was resurrected and is now in a different kind of fishery. The plant at Gaultois is operating.

We were able to find that Burgeo was a plant that would come under the northern cod recovery program. We cannot find the same with respect to Ramea because that would be contrary to the facts and because Fishery Products International took steps in 1991-92 that resulted in that plant not being eligible. The managing director of FPI is now trying to blame that action of his on me. I rather resent that. I hope that the hon. gentleman opposite will take up my cause.

* * *

[*Translation*]

DUTY FREE SALES

Mrs. Lise Bourgault (Argenteuil—Papineau): Mr. Speaker, my question is directed to the Minister of National Revenue.

Can the minister inform the House whether information that Mohawks are selling items duty-free to white people was accurate and, if so, could he tell us about the steps he has taken to stop this unlawful activity which allows non-aboriginal citizens to purchase cigarettes or other goods without paying duty, unlike the majority of Canadian taxpayers?

[*English*]

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, I am obviously aware of these concerns. That is why non-compliance activities for both natives and non-natives are currently being aggressively pursued by way of audits, on-site visitations, other audit schemes and so on.

However, the bottom line remains the same, that for the province of Quebec, Revenue Quebec as well as myself and Revenue Canada are committed to take every necessary step to make sure that compliance on and off reserves in Quebec is going ahead according to the laws and regulations of the policies of both the Government of Quebec and the Government of Canada. Likewise in the rest of Canada, Revenue Canada is going to be taking every necessary step to make sure that compliance is agreed upon by all involved.

* * *

THE ENVIRONMENT

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

Last week the Canadian Environmental Law Association testified that the North American free trade agreement continues the requirement of perpetual supply of all of our resources to the American market, including energy, under article 605, while granting an exemption to Mexico from the energy requirement, annex 603.6, and other resources, annex 316.

Where is the conservation strategy here? Where is the integration of the economy and the environment we have all heard so much about?

In short, how can this government continue to say that the North American free trade agreement is environmentally sound?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, first of all let me state some of the facts.

There is nothing in the free trade agreement between Canada and the United States that commits us to continue to supply the United States with all of our energy. She knows that very well. What we are committed to do is to meet certain contract requirements. Nothing requires us to sign more contracts, but the NDP have never understood that.

With respect to the North American free trade agreement, there is an exception for Mexico because of the Mexican energy decree.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, it is clear that the government does not understand about the proportionality clause.

Under the Canada–U.S. and this new trade deal, water is treated as an ordinary good. This provision effectively cripples our federal and provincial governments' control of water exports.

Will this government finally admit that there is really no environmental consideration here, that a greedy bottom line will be the only real consideration in the future development of schemes to export Canadian water?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, in reference to the hon. member's question and also the answer of my colleague, I would like to point out to her that in 1973–74 when the International Energy Agency was formed, countries that were in a net import position such as the United States, Germany and Japan had to develop what was known as a strategic petroleum reserve. In other words, they had to have reserves on hand in case of shortage. Countries, such as Canada, which are members of the International Energy Agency and which are in a surplus position did not need an SPR.

Mexico, which is part of OPEC, obviously as an exporter of oil does not fall into those proportionality requirements. So the long bow she then draws to water is just as false as her first premise.

* * *

[*Translation*]

VALUE OF CANADIAN DOLLAR

Mr. Benoît Tremblay (Rosemont): Mr. Speaker, the government and the Governor of the Bank of Canada are so obsessed with fighting inflation by raising interest rates that this has caused a completely artificial rise in the value of the Canadian dollar and a recession that is destroying the manufacturing sector and tens of thousands of jobs.

Now that he has created a disastrous situation and is faced with the need to reduce interest rates in order to start economic recovery, is the Minister of Finance prepared to confirm today that his department intends to borrow American dollars to reduce short-term pressure on the Canadian dollar instead of pursuing his suicidal policy of high interest rates?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, the hon. member says that the Governor of the Bank of Canada or the government created a policy that is keeping the dollar high. I do not know where he gets his figures. A little over a year ago, the dollar was worth 89 cents while today it is around 78 cents. Some increase.

• (1450)

As far as interest rates are concerned, we have explained on many occasions that the government must operate under the constraints of a very high national debt which makes the ability or will of lenders to lend us money a major factor to contend with. Interest rates are based on that factor and not on a whim of this government.

Mr. Benoît Tremblay (Rosemont): Mr. Speaker, how can the Minister of Finance tolerate the fact that last week the rate on Canadian Treasury bills was 9.05 per cent, while the rate on U.S. Treasury bills was 3.27 per cent, a difference of nearly 6 per cent?

Does the Minister of Finance realize that today, economic recovery is no longer being blocked by the value of the Canadian dollar but by the unacceptably high real interest rates we have to pay to attract investors who are afraid to lose money on the Canadian dollar? Is it not time the government sent a very clear message to the financial markets and indicated that it has confidence in the Canadian dollar by borrowing U.S. dollars? Otherwise, it should let the dollar go down and let interest rates go down.

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, if it were as simple as all that, it would be very easy to manage the economy. However, investors base their assessment of Canada's economy on a range of factors. These include the deficit and the debt of the Government of Canada and that of the provinces and Crown corporations like Hydro Quebec and Ontario Hydro. That is the basis on which they decide whether or not to invest, and we respond to the laws of the market.

* * *

[*English*]

CANADIAN FORCES RESERVES

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, my question is for the Minister of National Defence. It concerns the Canadian forces reserves.

In his report, the Auditor General in his chapter on the Canadian forces reserves made some disturbing revelations. He talked about accountability, rank structure and how heavy it was. He talked about equipment acquisition and talked more than anything else about availability of the Canadian forces reserves.

I would like to know whether the minister agrees with the allegations in the audit report and what he intends to do about them.

[*Translation*]

Hon. Marcel Masse (Minister of National Defence): Mr. Speaker, the hon. member raises a very important issue. In Canada's military history reservists have always played a key role and very often a most important role when they took part in military activities. The Auditor General's Report raises some points of which we are quite well aware, and within the total force policy. The department and the forces are reviewing exactly how reservists fit into the total picture in Canada. This is a priority for us. Some of the points raised have already been dealt with and others remain to be corrected, but I can assure the hon. member that I share his concern.

[*English*]

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, my supplementary question is for the same minister.

The Canadian forces reserves are quite concerned about what was contained in the Auditor General's report. They do, after all, make up the total force concept which is a part of the minister's defence policy. I agree, it is a very important part of the defence policy. They volunteer. They give up their time. It is really quite a serious indictment.

Given that we spent $750 million last year on defence and given that availability is really important, can the minister at least give the House some indication of when there may be some legislation that will ensure availability by legislation to make them (a) available and (b) protect their jobs when they are serving their country?

[*Translation*]

Hon. Marcel Masse (Minister of National Defence): Mr. Speaker, the analyses that we are now undertaking include this issue of reservists' availability for call-up. In the present system of no advance notice in which nearly half answer the call for requirements with the professional forces in Cyprus, for example, or in the gulf war, I am told that is quite a normal response rate, approximately 50 per cent.

Now the idea of having a bill to assure reservists that they can leave their jobs and return to them has been discussed a lot in Canada for some time. There are pros and cons. The danger with too restrictive a law is that reservists will have trouble working in the private sector because it might be perceived by employers as a danger.

This question is still being discussed now and no decision has been made one way or another.

[*English*]

GOVERNMENT CONTRACTS

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is for the Deputy Prime Minister. It is about the wise use of taxpayers' dollars.

The Canadian Saltfish Corporation, an agency of this government, after lending $110,000 has leased a ship from Claymore Shipping, owned by the father and the daughter of Captain Morrissey Johnson, a former Tory member of Parliament, for $2,200 a day or $1.5 million. At the same time, the same Captain Morrissey Johnson sits as the chairman of another Crown corporation, namely the Fisheries Prices Review Board, where he makes a measly $91,000 a year.

I want to ask the Deputy Prime Minister if he approves of those practices and what exactly he intends to do about it.

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, it is quite funny how the network operates. This is a question that was raised in Newfoundland about 10 or 12 days ago by one Danny Dumaresque, a member of the House of Assembly of Newfoundland. At his press conference, the experienced reporters there who know what is happening laughed at him. The reaction he got from the press was not questions; it was laughter.

There was a vessel chartered some years ago by a company with which Captain Morrissey Johnson had been connected, the Canadian Saltfish Corporation. It was all quite proper and legitimate. When Captain Morrissey Johnson was a member of this House he had no connection with that company. The company was operated by his daughter.

He is an honourable person who gave four years of his life to this institution. Unfortunate he was not returned here.

The hon. gentlemen opposite, one of his colleagues, gets up with this scurrilous nonsense, which is outrageous.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, that proves again that sometimes when you lose, you win.

I want to ask a supplementary of the President of the Treasury Board.

The government contracting procedures say that government contracts, and I quote from the minister's own manual, "shall stand the test of public scrutiny, of prudence, probity, and encourage competition". The president of the Canadian Saltfish Corporation said about this contract: "We do not have to do things by public tender".

Which is the government policy, public tenders or sweetheart deals?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, the government's policy is to operate in accordance with the regulations. In the case of the Canadian Saltfish Corporation, in those years it was operating a very expensive business in Labrador on the north shore of Quebec which no private enterprise would touch. We could not get a private enterprise firm to take over this work. It had to charter vessels to move salt bulk fish to and from Labrador as well as supplies and do all of the rest of the work that needed to be done.

The president of the corporation has already answered these questions publicly in Newfoundland. Everyone in Newfoundland knows there is nothing to this dastardly huffery of the hon. gentleman's provincial colleague. Nor is there is anything to what he is now getting up in this House and trying to—

* * *

[*Translation*]

BUILDING OVERPASSES

Mrs. Marie Gibeau (Bourassa): Mr. Speaker, my question is for the Minister of Transport.

Referring to the building of two railway overpasses for Henri Bourassa Boulevard on the border of Montreal north, the minister is reported to have said in an interview with the Montreal North *Guide* that these overpasses are in federal jurisdiction. Yesterday the minister said that the federal government had agreed to assume responsibility for building the overpasses.

I would like to ask the minister what he is waiting for to announce the beginning of the work and can we hope for construction to begin in early 1993.

Tributes

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I think that the hon. member for Bourassa knows that these overpasses are to be built as part of the reconstruction of Henri Bourassa Boulevard. The main parties in this affair are the municipalities concerned and the Government of Quebec. As for the federal government, of course we will build the overpasses once construction on the boulevard has begun.

* * *

• (1500)

[*English*]

KEMANO PROJECT

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, my question is for the Minister of Fisheries and Oceans. Documents released from the minister's department indicate that pressure was put on departmental scientists to alter their evidence in a court case regarding Alcan's Kemano project.

Will the minister confirm that the RCMP in British Columbia is reviewing his department's operations as it relates to the allegations of the changing of testimony? Can he tell us when we can expect an answer on this investigation?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, if the RCMP is conducting an investigation it is not confiding in me as to how its investigation is proceeding or what the results of its investigation are. It would presumably report to the provincial minister of justice or to whatever authorities it is conducting the investigation for.

There has been some kind of an investigation into this matter going on now for a year or two, but we have never been put in possession of any information as to just exactly what the investigation is about or what results have occurred.

I can tell the hon. gentleman that no political pressure has been put on anyone in the Department of Fisheries and Oceans as to how they should testify in any particular case. With respect to this particular project there was an agreement entered into, as the hon. gentleman knows, dealing with these matters. I know of no pressure exerted on anyone in that connection.

PRESENCE IN GALLERY

Mr. Speaker: I wish to draw to the attention of members the presence in the gallery of His Excellency Gohar Ayub Kahn, Speaker of the National Assembly of Pakistan.

Some hon. members: Hear, hear.

Mr. Speaker: I also wish to draw to the attention of members the presence in the gallery of the Hon. Elizabeth Cull, Minister of Health and responsible for Seniors of British Columbia.

Some hon. members: Hear, hear.

* * *

BUSINESS OF THE HOUSE

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. I would like to designate tomorrow, December 1, an allotted or supply day.

* * *

HON. STANLEY KNOWLES

50TH ANNIVERSARY

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, today is the 50th anniversary of the election of the Hon. Stanley Knowles to the House of Commons.

Some hon. members: Hear, hear.

Mr. Blaikie: On November 30, 1942, 50 years ago today, a by-election was held in Winnipeg North Centre to replace the late J. S. Woodsworth, first leader and founder of CCF, who had died earlier that year. Mr. Woodsworth had represented Winnipeg North Centre since 1921 after his defence of working people thrust him into politics during the Winnipeg general strike of 1919.

His successor and the one he wanted to succeed him was the young Stanley Knowles, a United Church minister and CCF activist who had run twice before for Parliament in 1935 and in 1940. Stanley would carry on the tradition of Woodsworth, picking up his concern for rail workers in Winnipeg and the abrogation of their pension rights, particularly by the CPR, that went back to the 1919 strike. In 1948 he succeeded in getting those pension rights back and protecting further abuses of that kind by the railways against striking workers.

The son of a railway worker himself, Stanley's base of support was to be found at both CN's Transcona shops and CP's Weston shops. Election after election and in between elections for over four decades Stanley could be found standing at the shop gate handing out *Hansard*, handing out not propaganda, not what he was going to say, not a simplified version, but all of what he had to say and all of what he had repeatedly said on behalf of working Canadians, someone who took Canadians seriously and did not try to influence them with catch phrases tested by focus groups. Stanley was out there the day after the election, too, saying thank you, something that I did with him after his last election in February 1980. I remember being there with Stanley in the cold of that particular month as the guys went in the shop gate and they said: "Congratulations, Mr. Knowles, way to go, kid. Look after him, Stanley, show him the ropes". And he did, as he showed so many other people the ropes in this place.

Stanley, you knew how to say thank you, but so many more Canadians owe a thank you to you for your persistence and precise use of the rules to advocate so many causes, like the end of the means test for old age security and the lowering of the pensionable age, two of your greatest accomplishments.

Stanley was and is a House of Commons person and it is a source of true joy to all of us who know him that unlike so many others he can have the real privilege today of celebrating his 50th anniversary and of being in the Chamber to do so, surely a unique achievement in Canadian parliamentary history.

Just the fact that Stanley continues to be present in this Chamber gives it a certain dignity. Canadians take comfort in knowing that you are here, Stanley. Time and again I am asked by people in Winnipeg about Stanley and how he is doing. Stanley, you occupy a special place in the hearts of many Winnipegers and indeed many Canadians.

As midwife to the birth of the NDP, as trusted adviser and House leader to M. J. Coldwell, Tommy Douglas, David Lewis and Ed Broadbent, as a friend to the hon. member for Yukon, as an early friend of women's issues, as an expert in parliamentary procedure and defender of Parliament during the 1956 pipeline debate, and at all other times, and more recently as an example to Canadians who have suffered a stroke, of perseverance and of devotion to the work of a lifetime, we salute you.

May God grant you many more years in this Chamber which you so ably served and in which you served the Canadian people in such an outstanding and selfless way.

Some hon. members: Hear, hear.

Mr. Stan Darling (Parry Sound—Muskoka): Mr. Speaker, I rise today to pay tribute to a truly great Canadian, one who has inspired parliamentarians both past and present and indeed all Canadians with his dedication to the work of this House and to this country.

It was 50 years ago today that Stanley Howard Knowles was first elected to the House of Commons to represent the riding of Winnipeg North Centre. He worked hard on behalf of his constituents and served them exceedingly well. To prove this point they re-elected him 12 times—12 times, Mr. Speaker—between 1942 and 1980.

From the moment Stanley Knowles set foot in this House he fought tirelessly to improve social justice for all Canadians. He outlined his goals in his maiden speech on February 3, 1943 and remained loyal to those principles throughout his long and distinguished parliamentary career.

One of his key achievements was to succeed in having pension benefits for senior citizens improved. As a matter of fact, when he first came to Ottawa pensions were only $20 a month.

Mr. Knowles has worn many hats over the years, often at the same time. A few of those included that of worker, trade unionist, minister, scholar, social activist, family man and of course parliamentarian.

We are honoured to still have Mr. Knowles among us today providing guidance, advice and inspiration. He is arguably the foremost expert on parliamentary rules and procedures in Canada today. As a fellow octogenarian, it is certainly a privilege for me to have the opportunity to pay this tribute to a great Canadian and long-time friend.

Mr. Speaker—and you should pay attention to this; it is for you if you are listening or not—back in the seventies there was a controversial bill in the House of Commons to improve the pay of members of Parliament. Quite a sizeable increase was recommended. This may come as a shock to a lot of people, but I did not approve of it and I voted against it. There were other changes in it. There were increases for cabinet ministers.

• (1510)

One of the things that struck me was, with all due respect to cabinet, I felt there was one member in the House of Commons who was entitled to a reasonable increase and that was no other than the Speaker; it was Mr. Jerome at that time. I said the Speaker should be entitled to a cabinet minister's salary. I went over and talked to Stanley about it and he helped me word it. In any event it went through, but when it was over Stanley came over and said: "Stan, you are the only member of Parliament in the opposition who was ever able to get a money bill through" because that was an increase in salary.

Again, Stanley, it is a privilege and a pleasure to be here to invite all members of this House to join me in paying tribute to the Hon. Stanley Knowles, someone who makes us all proud to be part of Canada's parliamentary tradition.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, I would like to join in the congratulations to Mr. Knowles in celebration of his 50th anniversary. I bring greetings not only of the Liberal Party but as the member of Parliament representing the same seat as Mr. Knowles did. I always say to people I have both the great fortune and the great lack of fortune to have the former member of Parliament sitting in front of me at all times.

I can say at times when I stand here I can see Mr. Knowles sit upright as he turns to see whether or not I am representing Winnipeg North Centre in his tradition. Despite our partisan difference I hope he feels the people are being represented.

On a personal note, Mr. Knowles' reputation has lived on and on in Winnipeg North Centre. When I go to many places in the community—and I do not mean just among the seniors or the elderly but I mean among all age groups—people ask me regularly: "How is Mr. Knowles, how is he doing, is he still in the House every day?"

It is real tribute to somebody who represents an area for as many years as he did that many years after people still inquire. Those of us who are now serving in the House aside from the Table understand just how difficult it is to be that well respected. It is a tribute to all of us that he continues to share with us every day what goes on in this House.

I know I will bring back to the people of Winnipeg North Centre his goodwill. They in turn will wish to hear from him that he continues to be interested in the House. On behalf of the Liberal caucus and the people of Winnipeg North Centre, I again say congratulations to you, sir, and it is fine to have you here.

Hon. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I too want to say a few words.

I remember when I first came here in 1968 that Stanley Knowles was then here about 26 years. I thought, boy, that is a long time to be a member of Parliament or to be associated with the House of Commons. Now it is 24 years later and he is celebrating the 50th anniversary of his election to the House of Commons in 1942.

Not only is November 30 the 50th anniversary of his election to the House, November 30 is the 13th anniversary of his appointment to the Queen's Privy Council on November 30, 1979. On both counts I want to congratulate the hon. Stanley Knowles, the former member for Winnipeg North Centre.

Back in 1942 when he was elected, he was elected with a majority of some 6,900 votes. His campaign manager in those days was David Lewis. Mr. Knowles has told me about that campaign when he succeeded J. S. Woodsworth. He told me about a fund raiser that was organized by the CCF in the old Marlborough Hotel in Winnipeg. It created a stir among CCF circles in Manitoba because he decided to charge $1.50 ticket for this fund raising dinner back in 1942. We can see how times have really changed since those days.

Not only was Stanley elected in 1942 but he was re-elected another 12 times. To be elected to the House of Commons 13 times is quite an honour for any person in this country.

Stanley was elected, as I said, 50 years ago and there is no one in this Chamber, either as a member of Parliament or working on our staffs, who was here at the time when Stanley Knowles first came to Ottawa. I guess you have outlived everybody Stanley. You have survived absolutely everyone.

One of my memories about Mr. Knowles was not only was he Mr. Parliament when I first came here in 1968, but shortly thereafter, in 1973 when he turned 65 years old, we had a celebration for him in the Speaker's room 16, just behind the Chamber. The Minister of National Health and Welfare of the Liberal government at that time presented Mr. Knowles with his very first pension cheque. He might be the only Canadian in history who actually had the Minister of National Health and Welfare come to him at a reception and present him with his very first old age pension cheque. I remember that like it was yesterday.

Mr. Knowles, we want to say to you from the bottom of our hearts: You have made this institution a much greater place. You made this country a much greater place, and there are an awful lot of us who owe an awful lot to you. We hope you are here with us for many years to come.

* * *

PRIVILEGE

CANADA POST

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, I wish to raise a question of privilege with regard to reports in the Canadian press of this document that was presented by Canada Post Corporation in which it suggests systematically denying members of Parliament information required to carry out their duties.

The document is a communications plan from Canada Post with regard to the retail postal outlets. The plan indicates that where there would be changes to postal services, retail postal outlets or retail postal outlets closing, in each case the government relations will decide whether to advise in advance individual members of Parliament as to what is happening within those ridings.

Mr. Speaker: I do not want to take the hon. member away from his intervention, but when the hon. member refers to government services, I take it the hon. member is referring to that division or that group within Canada Post, not to the government.

Mr. Pickard: Mr. Speaker, yes. That is correct.

Mr. Speaker: Thank you.

Mr. Pickard: Mr. Speaker, the government services of Canada Post. Thank you for the correction. The excerpt was confirmed by Canada Post Corporation Government Relations superintendent, Mr. Thrasher.

This information clearly prevents MPs from obtaining information they require to scrutinize a Crown corporation, Canada Post, when asking questions here in the House and when dealing with their constituents' concerns here in the House as well.

As a result, I feel that it is a prima facie breach of privilege for members. If the Speaker finds this to be the case as well, I am prepared to move the appropriate motion.

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I have just heard for the first time this particular point.

I heard my hon. friend seek to establish a prima facie case of privilege. I listened carefully and I did not hear such a case being made. It might be that a Crown corporation would have a particular communications strategy *vis-à-vis* announcements to be made to the public and to members of Parliament for any number of reasons.

I do not believe that what we heard described here today would in any way inhibit a member of Parliament from performing his or her duties which is, as we all know, the only test of whether a privilege has been intruded upon.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I support the comments of my colleague.

I listened to the parliamentary secretary to the government House leader indicate that it would not impede the work of a local member of Parliament as it relates to his or her particular Canada Post facility. That is absolute nonsense. In point of fact, it would affect most seriously their duties and how they carry out their duties in terms of the notice that one would get and the ability of the member of Parliament to organize with interest groups in that particular community. Knowing all of the information which Canada Post has at its fingertips would be very helpful to a member of Parliament in his or her role in representing their constituents.

I have examples in my own riding where Canada Post attempted to close post offices. It was only for the fact that we had the information and were notified and consulted beforehand that we were able to mount an attack and to provide the alternative for the government and for Canada Post.

I just wish to reiterate that this is a very serious breach. I believe it to be essential that members of Parliament have this kind of information and consultation, and are treated fairly and generously in this particular process. I would hope that the Speaker would find a prima facie case of question of privilege.

• (1520)

Mr. Speaker: I have listened very carefully to the intervention of the hon. member for Essex—Kent, the hon. member for Cape Breton East—Richmond and the hon. parliamentary secretary.

I am not going to make a decision now. I am going to adjourn it. The hon. parliamentary secretary may want to consider whether there are more facts that should be in front of the Chair.

It seems to me it would be helpful if I knew a little bit more about exactly what this government relations group had in mind with respect to its particular approach in notifying members of Parliament as to actions that are taken with post offices in their particular ridings.

I am going to adjourn for the moment. The parliamentary secretary might want to give me some indication as to whether there is anything further to hear and at that time we will deal with it further. I thank all hon. members for their intervention.

* * *

POINT OF ORDER

WESTRAY MINE

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I have a very unusual request that I wish to make of the Chamber. I have not had an opportunity to consult with members opposite nor to my left, but I think what I am asking will be self-explanatory.

I have a letter here that I just wish to table with the House. It is a letter which is signed by the executive committee for the Westray families who are calling upon the Government of Canada and the Government of Nova Scotia to have a federal inquiry into the tragic events which occurred at Westray. I am wondering if I could have unanimous consent of the House to table this letter so that it may be on the record.

Mr. Speaker: The hon. member for Cape Breton—East Richmond has asked the House for unanimous consent. Is there consent?

Some hon. members: Agreed.

Mr. Speaker: So ordered.

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

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

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

* * *

[*English*]

INTERNATIONAL LABOUR CONFERENCE

TABLING OF DOCUMENT

Mr. Ken James (Parliamentary Secretary to Minister of Labour): Mr. Speaker, I have the honour to table, in both official languages, copies of a document entitled *The Canadian Position With Respect to Conventions and Recommendations Adopted at the 77th and 78th Sessions of the International Labour Conference in Geneva, June 1990 and June 1991.*

* * *

PETITIONS

COURT CHALLENGES PROGRAM

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I have a petition pursuant to Standing Order 36. This petition asks that the government reconsider its decision with regard to the Court Challenges Program, a program as we know that has been abolished by the government, a program which allowed many individuals

and minority groups to clarify to the courts their constitutional, linguistic and equality rights. These people would like to see access to our courts given to all Canadians and, to that effect, would like to have the government reconsider its decision so that it would be available to all Canadians at all times.

KILLER CARDS

Mr. Bill Domm (Peterborough): Mr. Speaker, I have three sets of petitions.

The first petition has some 36 pages of signatures, collected for the most part in the Peterborough region but also throughout Ontario and Canada.

These petitioners call upon Parliament to amend the laws of Canada to prohibit the importation, distribution, sale and manufacture of killer card and to advise producers of killer card that their product, if destined for Canada, will be seized and destroyed.

CHILD POVERTY

Mr. Bill Domm (Peterborough): Mr. Speaker, the second petition I have the honour to present to the House, pursuant to Standing Order 36, has three pages of signatures.

The undersigned are asking and praying and calling upon Parliament to take the actions necessary to reaffirm its commitment to seek the elimination of poverty among children in Canada by the year 2000 and to develop a plan for the implementation of this commitment.

JUSTICE

Mr. Bill Domm (Peterborough): Mr. Speaker, the third group of petitions I have to present pursuant to Standing Order 36 totals some eight sheets of signatures. The petitioners request that Parliament revise the laws of Canada to replace the Young Offenders Act with an updated Juvenile Delinquent Act with a lowered maximum age of 13 rather than 18.

THE CONSTITUTION

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, I too have three sets of petitions to present pursuant to Standing Order 36.

The first petition is rather belated. Its 25 signatories were asking and calling upon Parliament to call a referendum. We now know that this has been done so I will file that petition.

SENIOR CITIZENS

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, my second petition has 100 signatures. The petitioners are saying that it is desirable for all Canadians to provide senior citizens with the necessary support to live their lives as independently as possible and that the federal government has a primary responsibility to ensure the adequacy of seniors' pensions.

The petitioners therefore call upon Parliament to urge the government to ensure that Canadian old age security pensions are sufficient to meet the basic needs of Canada's senior citizens.

EXTERNAL AFFAIRS

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, my third petition has approximately 700 signatures. This is a very important petition. The signatories are from Nepean, Ottawa, Smiths Falls, Kingston, Manotick, Renfrew and many, many areas throughout eastern Ontario.

The petitioners are speaking to the fact that two Canadians, Christine Lamont and David Spencer, who have been sentenced to 28 years each in a Brazilian prison, have suffered a miscarriage of justice and cruel and unusual treatment in Brazilian prisons.

The petitioners believe that Parliament should urge the Secretary of State for External Affairs to request the Government of Brazil to expel Christine Lamont and David Spencer and return them to Canada immediately.

GOODS AND SERVICES TAX

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, I have three petitions to present today.

The first petition is from 51 petitioners in my riding who are opposed to the GST, particularly with respect to dance lessons. They say that the GST on dance lessons represents both a significant cost to those taking dance lessons and an additional burden for persons or groups operating dance schools.

The petitioners call for the government to remove the GST with respect to dance lessons.

PROUD TO BE CANADIAN

Mr. Rod Laporte (Moose Jaw—Lake Centre): My second petition is from a number of constituents in my riding who want to promote the 'Proud to be Canadian' project which is sponsored by the Kinsmen and Kinette Clubs across Canada.

The undersigned support the 'Proud to be Canadian' project as an opportunity to nurture a positive life-long relationship with our heritage and our flag, to encourage stronger ties among Canadians for the further advancement of Canada as a leader in world circles, and to promote a tremendous pride in being Canadian. It is a tribute to Kinsmen and Kinettes across the country.

ABORTION

Mr. Rod Laporte (Moose Jaw—Lake Centre): My final petition is from 51 people in my riding who say that RU 486 is a drug which causes the abortion of the human foetus at an early age of development, and that the administration of RU 486 has caused the death of at least one woman to date. It has caused serious health problems in others during clinical trials in France and the only proven use for RU 486 is the abortion of young human beings. Therefore the undersigned humbly pray and call upon Parliament to withhold approval of RU 486 and prevent the marketing and/or testing of this drug to induce abortion.

• (1530)

YOUNG OFFENDERS ACT

Mrs. Diane Marleau (Sudbury): Mr. Speaker, I rise again today to deposit a large number of petitions asking that this House amend the Young Offenders Act. These were signed in memory of young Rosalynn Dupuis who was murdered last spring.

The petitioners ask that more serious sentences be allowed. They ask that programs of rehabilitation be started. They ask that all of these very serious crimes and the criminals who have committed them, especially if they are young offenders, be treated very seriously as the crime demands, and that we remember the victims of these crimes and give them as much consideration as we do the young offenders.

OLD AGE PENSIONS

Mr. George Proud (Hillsborough): Mr. Speaker, I rise pursuant to Standing Order 36 to present two petitions on behalf of many dozens of senior citizens, individually and through their clubs, to ensure that old age pensions are secure in this country.

They say that many hundreds of thousands of Canadian senior citizens live below the poverty line, that over 80 per cent of single women over the age of 65 live in poverty. They know the federal government has the primary responsibility to ensure the adequacy of seniors' pensions and therefore call upon Parliament to urge the government to ensure that the Canadian Old Age Security pension is sufficient to meet the basic needs of Canadian senior citizens.

REFUGEES

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, I rise to introduce a petition signed by Canadians from all across Canada: from British Columbia, Quebec, my riding of Ottawa Centre, and so on.

These constituents are calling on the government to show some compassion in dealing with refugee applicants from across the world, in particular those who come from unstable countries where civil strife is taking place.

I would join these constituents in calling on the government to show some compassion in granting them the refugee status required.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Jim Edwards (Parliamentary Secretary to Minister State and Leader of the Government in the House of Commons): I ask, Mr. Speaker, that all questions stand.

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

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

BUDGET IMPLEMENTATION (FISCAL MEASURES) ACT, 1992

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Mazankowski that Bill C-76, an act to amend certain statutes to implement certain fiscal provisions of the budget tabled in Parliament on February 25, 1992, be read the second time and referred to a legislative committee in the Economics envelope.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I was interrupted in my answer to the question I was asked just before the break. The member who asked it spoke about the situation of education in the province of Quebec. What he did not mention was the fact that Quebec is blessed with a Liberal Party government under which the people of Quebec have not suffered the way the people in Ontario are suffering under our current government.

Mr. Dingwall: Explain.

Mr. Milliken: The hon. member for Cape Breton—East Richmond is asking me to explain that.

It is a simple explanation. The NDP government in Ontario is driving business out of the province. The Liberal government in Quebec is attracting business to the province. That is the difference.

It used to be that businesses left Quebec for Ontario but since Ontario switched to the NDP the trend has reversed. We are finding that other provinces in Canada are the net beneficiaries of the election of the NDP. It was not long ago they called the premier of Ontario the citizen of the year in Buffalo because he had driven so many Canadian businesses out of Ontario into Buffalo.

Mr. Butland: Answer the question.

Mr. Milliken: I am answering the question. I am trying to point out the advantages that Liberal governments have afforded.

We do not hear complaints in this House about Liberal governments in Prince Edward Island—the hon. member laughs—Newfoundland, New Brunswick or Quebec that we do about governments in other provinces, particularly in Ontario where, as I indicated earlier, we would be out of the recession if we had any other government but that one.

An hon. member: Come on.

Mr. Milliken: The hon. member is from Saskatchewan. He does not know. The New Democrats in Saskatchewan are a different kettle of fish. They are really Liberals out there.

In Ontario the NDP sadly are not Liberals and they are not Conservatives. They are neither fish nor fowl. Some would say foul. Of course, I am being very careful in my use of the word, spelling it very correctly. However, some say that the Government of Ontario is definitely a weak link in the chain of provincial governments in this country and I agree with them.

The hon. member is from Saskatchewan. He knows that business has been moving into Saskatchewan and out of Ontario because of the NDP government in Ontario. He must know that.

Mr. Laporte: No, Peter.

Mr. Milliken: Everybody else in Saskatchewan that I see tells me that is true. They tell me that business is booming in Saskatchewan compared with what it is in Ontario because they are moving. Ontario is suffering a decline. Just ask Bob Rae about the loss of corporate tax revenue. I heard him moaning about it in an article I was reading in the paper. There were quotations from Premier Bob saying that all his tax revenues were down so he had to cut.

I know why they are down. It is because businesses are moving out. He just has not figured that out yet. He will in due course. It will probably be year four of his mandate before that happens.

I am sorry that perhaps my time on that question has gone. What I was trying to point out was that the Liberal governments are the ones that help create the atmosphere in which economies prosper in Canada. Tory and NDP governments work together to destroy that prosperity.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I am happy to be able to participate in this debate on second reading of Bill C-76, an act to amend certain statutes to implement certain fiscal provisions of the budget tabled in Parliament on February 25, 1992.

There are a number of items one could make reference to, but I will be fairly succinct this afternoon in directing my comments at a number of different aspects of this particular bill.

My first point concerns amendments to the Canada Student Loans Act. In my constituency this year has been an extremely difficult one for students, who last summer attempted to find summer employment and found that there were very few opportunities. Second, the proliferation of taxes over the last eight years has had an excessively negative impact on family income. Third, many families do not have the privilege of having meaningful work in that there are about 1.6 million Canadians now unemployed.

When we examine that situation and some of the provisions contained in the budgetary papers of the Minister of Finance—one of them being a 3 per cent administration fee on student loans, and also the elimination of the six-month interest-free period for students who have graduated and cease to be a full-time student.

To the casual observer these measures may not provide all that much difficulty. I am here to speak on behalf of my constituents who believe that these measures are regressive and are not necessary. They do very little to facilitate students who are going into the work force and those who are not there at the present time, nor do they assist students who are presently having to seek financial aid to go on to post-secondary education of some sort.

In my constituency I have met with literally dozens upon dozens of students who have come up against a brick wall. There is no summer employment and family income has been taxed 32 times by this administration in the last number of years. The Government of Canada is presently using tables for the purposes of calculating the family contribution dating back to 1983-84. They are vastly outdated.

• (1540)

The other aspect is that, as I said, many families and many bread-winners are now finding themselves without any form of work whatsoever.

To tell students who wish to pursue their post-secondary education that they will have to pay off the top—note that it is off the top—a 3 per cent charge is rather tough.

I know that there are members in this chamber who have children, daughters and sons and some even grandsons and granddaughters who are going to university and they do not find that to be a very burdensome fact of life. When I go back and trace my own roots going into post-secondary education, my parents were janitors. I had to borrow the money to go to university, and a 3 per cent charge off the top is a lot of money.

To some oil baron or some major contractor or lawyer or doctor, whatever it may be, maybe that is not burdensome. It is the kind of money that you can buy your books with, 3 per cent. It is the kind of money that pays for the aeroplane ticket to one's home at Christmas. That is what it means.

I cannot for the life of me understand the government of the day when it talks about a prosperity agenda and turning around and slapping students with a 3 per cent off the top administrative fee.

The government's retort to my assertion is the following: "Students who have gone on to university and who have received money from the Government of Canada are not paying it back, and we have to take measures to ensure that we are going to get that money back".

I have suggested to the Secretary of State and other ministers of the Crown that there is a way this can be done. Many students who leave university—and one of the great examples is in the city of Toronto—cannot find work. MBAs and students with BAs in education and the sciences cannot find meaningful employment.

What does the government do? It is taxing students today at a 3 per cent administrative fee. What does it do to the students who do graduate?

Mr. Milliken: It charges them interest.

Mr. Dingwall: Not only does it charge them interest, but it has eliminated the six-month interest free period. If you were to graduate in May of 1992, you would have June, July, August, September, October and November without having to pay any interest on your student loan. You would have a six-month free holiday. The government has done away with that.

Students cannot get the jobs; there are no jobs to be had. It is another burden given to young people and young students in this country.

If the Government of Canada finds itself in the precarious position on defaulted student loans in excess of $700 million, if that is the case, why does it not think? Is it the disease that has plagued this government for the last number of years and has been referred to in Question Period as this government being a spent force?

I would think that if you were in business and somebody owed you that kind of money you would look at the situation and you would say: "It is awful. We have to do something to recoup that money".

The first thing you have to do is send out notice to those students who have found meaningful work and have an ability to pay, that they should pay back. Nobody in this country who is reasonable would disagree with that. If the lawyers and the doctors are out there practising law and medicine and making money they should be paying the money back to the Government of Canada which loaned them the money to pursue their education.

What about the thousands and thousands of students who want to pay back the money they have borrowed but who cannot get a job? In my end of the country, in Cape Breton, many students have had to leave to go elsewhere to find employment, whether it be in British Columbia or in Alberta or in Toronto.

There are no jobs there. Those jobs are gone. What happens? This government says it is not going to give it to you interest-free for six months; it is going to ding you right away. You cannot get a job so what do you do? Your debt continues to mount and mount. What does the Government of Canada get out of this process? It gets nothing.

Students get something; they get more debt. Is that what we want to do in this country? The answer is obvious to most reasonable individuals except the crowd over there. Why does the government not think and say to students maybe there is a program that if you owe *x* amount of dollars we will take you as a business major and say you have to put in 18 months with the United Appeal; no salary, but then we will write your student loan off?

There is a contribution that the student is making. They are getting something back and the government will see something for its efforts in that it will have more educated, more experienced, talented young people who will have some semblance of experience because, as we know and we all have it in our districts, students are caught. They cannot get a job because they have no experience and because they have no experience they cannot get a job. It goes around like a vicious circle.

Why could the government not come up with some sort of a package? You are not going to get the $700 million by socking it to the students who do not have an ability to pay. Surely the Government of Canada has to be a little bit more imaginative. Maybe we can do something with the Canadian Federation of Independent Business.

Students are prepared to take the risk, to take the challenge, to take the opportunity to get the experience and to get their debt ratios down. I was very fortunate when I graduated from university. I was able to get a job and pay back the money I owed the Canada Student Loans Program, for which I am very thankful.

I have constituents who come to my riding office who are desperate, who have no form of employment, who cannot get an aeroplane ticket or a car to go to Toronto to get a job. As my friend will say, there are no jobs in Toronto. They have been terminated.

This thing about having a 3 per cent administrative fee on students today and then turning around and short-changing them with regard to those who do graduate come August 1, 1993 to eliminate the six-month interest-free period is absolutely nonsense and does nothing to resolve the problem which is facing young people in this country.

The other thing the government ought to do in terms of the tax, the 3 per cent, as well as eliminating the six-month interest-free period, is meet with the stakeholders in the Canada Student Loans Program and revise the program to make it meaningful.

Let us go back to the family contributions. How many members in this Chamber have heard from parents who talk about the proliferation of taxes, who say my husband or my wife has lost their job, the income has been reduced, the income has been further reduced by the number of taxes and yet the Government of Canada under the auspices of the Canada Student Loans Program is using tables that go back to 1983-84?

Surely the stakeholders, the students and parents would want to have a meaningful dialogue on how we can address some of the deficiencies which are numerous in the Canada Student Loans Program.

I am not going to get into what different provinces do or how they do it, but suffice it to say in my province of Nova Scotia and in my district of Cape Breton—East Richmond students are having a very difficult time and parents are having a very difficult time. They want to see their sons and daughters pursue post-secondary education but there is a system that continuously works against them.

• (1550)

I would hope that on second reading of this bill the government would see its ways and amend accordingly and get rid of these regressive measures.

The second point that I wish to raise is the whole aspect of amendments to the Small Businesses Loans Act. The budget says: "The budget proposes that the broadening of the scope of the Small Businesses Loans Act by increasing the maximum individual loan amount from $100,000 to $200,000".

Are they in Disneyworld over there, mentioning $100,000 to $200,000? Have you ever talked to anybody in small business lately? They must be thinking of the Easter bunny and Santa Claus and the tooth fairy to think that this is going to have a major impact on small business in this country.

Small business is telling me that it cannot get $100,000 today. How is $200,000 going to help? It will also tell you: "Government, you promised to eliminate massive paperwork. You have not followed through on that". There is the proliferation of taxes on small business in excess of 32 taxes. When you have the consequential effect with regard to provincial government, it is even much more than that.

Finding capital is difficult. The banks are not lending money. The Minister of Finance gets up and does the Alberta two-step; one forward and two back. He tries to tell us there is all sorts of money out there for small business. It is not out there.

Theoretically $100,000 as opposed to $200,000 is a little bit better. However, that is theory.

An hon. member: That is the cost for a year.

Mr. Dingwall: That is right. The hon. member is mumbling over there and he will have an opportunity to participate in the debate. The first thing you should do is call an election so we can get rid of this crowd over there which has lost the will to govern.

An hon. member: Be constructive.

Mr. Dingwall: You have to instil in the system some sense of confidence as to where we are going. This government has not done that.

The hon. member, who will be an hon. member at least when the books are written, will no longer be a member of this House after the next election and he will then have an opportunity to understand fully and to appreciate what small business is having to go through in this country.

An hon. member: What should we do?

Mr. Dingwall: Look at the proliferation of the taxes that this government has put into place.

This is a government that argued and campaigned in 1984 that we had too many taxes then. We come in now and there are 32 new taxes. This is the government that took in the GST and said to the people of Canada that this was going to be the panacea to cutting the deficit as far as Canadian taxpayers are concerned.

It really cut the deficit; from about $180 billion it has gone up to well over $400 billion. That is the Tory way. The hon. member wishes to mumble, but he will have his opportunity and mumbling does not really resolve the problem. The fact of the matter is the introduction of the GST further facilitated the recession that we are now in.

Third, the GST has had negative consequences in terms of the revenue it was supposedly to produce for the Canadian government. Not only were those members wrong in theory, they were wrong with regard to how they implemented all of their tax changes as they affect the Canadian economy.

What better group in society has felt the pain than small business in this country? Therefore, I say to members opposite that Bill C-76 and the amendments are putting another $100,000 made available to small business which in theory is fine, but the reality is that banks and many institutions are just not lending the money.

This will do nothing to assist in that regard.

Mr. Turner (Halton—Peel): Be constructive. Do not just criticize. Give solutions.

Mr. Dingwall: Mr. Speaker, I indicated to the hon. gentleman in terms of the proliferation of taxes that there were too many. They brought in the GST at the wrong time.

An hon. member: Oh, oh.

Mr. Dingwall: I am trying to respond to the hon. member's questions, but again he is one of those Tories who sits on the other side and reads the dogma which comes from PC research. They think they have the monopoly on all the answers to the ills of society.

My colleagues in this party and I know that we do not have all the answers, but we know that member over there and this Tory administration have brought in 32 new taxes when they promised they would not introduce any new taxes. They brought in the GST which further facilitated the recession we find ourselves in at the present time.

This is a government that has now put an additional tax of 3 per cent on students. This is a government which is attempting to eliminate a tax-free provision for six months for students who are no longer full-time students. That is contained in the provisions of Bill C-76.

I have offered solutions with regard to student loans. I have offered solutions with regard to small business which the hon. member has heard. However they do not want to hear answers. They do not want to hear alternatives. They do not want suggestions, and the reason is that they have lost the will to govern.

I can assure all members across the way that Canadians will reward them handsomely for not having the will to govern and to listen. Let us have an election and then they can be accountable to the Canadian citizens for all the wonderful things they have done for the taxpayers of this country.

Mr. Patrick Boyer (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, the hon. member's speech was outstanding in terms of volume. Certainly it also deserves very high marks in the indignation category.

He was saying that the government was not interested in alternatives or any suggestions. Five or six minutes ago he was speaking how students were very enterprising and that perhaps something could be worked out with the Canadian Federation of Independent Business and so on.

I was not quite clear what he had in mind when he made that suggestion. I invite him to elaborate on it because on this side of the House, although he alleges that is not the case, there are people who are interested in alternatives and new ideas. Could he elaborate on that?

Second, while he is returning to the debate, could he say what he would have done in relation to student loans if he were the minister responsible and had read in the last few days the report of the Auditor General talking about some $400 million in defaulted student loans?

Mr. Dingwall: It is larger.

Mr. Boyer: It is a larger amount, he informs me. It is a very high figure. It is one that gives cause for concern as to the whole viability of the student loans program. I would like to hear his thoughts on that as well.

Mr. Dingwall: Mr. Speaker, I thought I made some suggestions in my remarks as to what the Government of Canada could do. I do not wish to repeat it verbatim, but with regard to Canada student loans defaults, surely the Government of Canada has to send a signal to those individuals who have the ability to pay that they must pay.

I give as an example myself. When I graduated from university and went on to work, I had the ability to pay and I did pay. I paid my student loans off. There are those in the system who have the ability to pay. The government should be serious about getting that money back. We have seen some examples in other jurisdictions where governments have been serious with delinquent payments.

Many students have graduated and have no form of employment, no opportunity for employment, no likelihood of employment, particularly in the regions. I guess to a large extent students cannot find employment in some of the major urban centres of this country. I am sure the hon. member has, as I have had, numerous students with their MBA, BA, Bachelor of Commerce, et cetera, who cannot get anywhere.

• (1600)

The government has to be creative. It has to be creative with some players who are out there, for instance some of our national social agencies such as the Canadian Federation of Independent Businesses. I will use myself as an example. Perhaps it is not a good example, but I think the hon. member will see the point.

I graduated in commerce. If you have a student who does not have the ability to pay, perhaps that student can work for 12, 14, 16 or 18 months with the United Appeal. Make a contribution to the United Appeal. Maybe it is a marketing expert. Maybe it is a financial expert. You work to pay off your student loan. It is not written off at the taxpayers' expense. You have to make a contribution to the community, to those social agencies which are out there, in order to lessen the debt for students.

Maybe it cannot all be done through that particular national organization of volunteers. Maybe something can be done through the Canadian Federation of Independent Businesses in terms of some form of a wage subsidy that the Government of Canada will pay in lieu of the student getting moneys, and giving a proportion of that amount of money back to the Government of Canada.

It is not the spendthrift Liberals trying to write all these debts off. I think governments have to be creative and go to the stakeholders and speak to the students and volunteer organizations such as the cancer society, the United Appeal, the Red Cross, the Canadian Federation of Independent Businesses, economic groups, environmental groups across this country, all of those. If we can come to some understanding, some form of contract of service in lieu of the payment of the student loan, I think it will contribute substantially for the student in lessening his or her debt, and also contribute substantially to society and to the organizations they are to serve.

I want to tell my hon. friend that you are not going to get one hundred cents on the dollar through default student loans by doing what you are doing at the present time.

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, I want to recognize my colleague's good grasp of the situation. However, when he suggests that the government should become creative in attempting to collect this $700 million of outstanding debt, I am sure he is aware—I want to highlight it, I want to put it on the record—that the government has become very, very creative. It has in fact farmed out the collection of outstanding student loans to the sharks out there. I read where the various private collection agencies are vying for these very lucrative contracts to get their teeth into these students, or failing that if the students have no jobs, get after their parents.

I am not exaggerating. These people are like sharks. They harass these people at school. They say: When are you going to pay, and the student says I have no job, I cannot pay.

I cite the case of a 53-year old constituent who came into my office and borrowed $4,000 about 15 years ago. He said that he made a pact with the government to pay $20 a month. But he said: "As I pay my token toward the debt, it is expanding faster than I can pay it". He asks: "who is going to hire a 53-year-old?" He is not employable, he accepts that fact which is really a tragic statement for an individual to make. The government is not prepared to give him a chance. In fact, it goes one step further and puts it out to these collection people who harass and harass. In the case of young people, if they cannot pay it, they say: "Well, can't the parents pay it? Take money out of their RRSPs".

Surely there must be a better way. It is creative but it is certainly not acceptable. It is not compassionate in any way. Granted there are dodgers out there who they have to be come down on hard, but for every dodger I am sure there are 25 or more good, sincere, ambitious young people who want to work.

I ask the member to comment on this policy that the government has initiated.

Mr. Dingwall: Mr. Speaker, I thank my hon. colleague for raising this aspect about the harassment which is taking place of students who have left university and who are attempting to find work. He is quite right.

The harassment which is taking place is totally unacceptable to young people, to me as a legislator and hopefully to this House. Some of the tactics which are being used are just unbelievable. If one were to use the code word from the movies loan sharks that is what it looks like.

These individuals are being called at home, receiving letters in the mail, called at work, even if it is part-time work as baby-sitters. There are uncles being called, grandmothers being called, family members being called. There may be a separation in the home, a father has gone or a mother has gone. They are calling these individuals to try to get their pound of flesh.

That is totally unacceptable. It underlines, in my view, the need for us to be creative. Let us remember that when you get a Canada student loan the bank does not lose any interest. The bank gets paid because it is guaranteed by the federal government. Perhaps there is a way in which we can do something on the interest with regard to these loans which are outstanding.

In my constituency there is a young person who is paying interest at 17 per cent because that is what it was at the time. Interest rates were high. He was locked in at that time. Therefore that person has to pay the money back.

We have to be more imaginative, more creative. Since the money is paid to the bank and it is owed to the Government of Canada, I think we have to look at ways to revise the rate of interest which is being paid. As the member has correctly pointed out, a constituent who has agreed to pay *x* number of dollars finds out after five or six years it has not done anything really to the principal because it is all going to interest.

Those are the kinds of things that I think we as a Parliament must attempt to do for students in this country who are trying to pursue their post-secondary education.

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, I want to speak to this bill, Bill C-76. As you know, there are four aspects to this bill. It makes changes to the Canada Student Loans Program. It makes changes to lobbyists who are required to pay a registration fee. It is going to reduce salaries of ministers and it is going to increase limits for business improvement loans under the Small Businesses Loans Act. I would like to make comments about all of these, some in more detail than others.

Very briefly, with respect to the increase in registration fees or providing registration fees for lobbyists, there is nothing wrong with that except that the government does not seem to be distinguishing between lobby groups. There are a lot of lobby groups in this country that are doing a good job that are lobbying for the disadvantaged. These groups tend to be non-profit groups or groups with very little funding. They can ill afford to pay registration fees.

Lord knows we need groups lobbying for women, minorities, native peoples, the disabled, the homeless, the poor, et cetera. There should be an exemption for those types of groups which are doing very good work, work that often is not done by this government, work that needs to be done in this country.

The next area I want to talk about briefly is with respect to ministers' salaries. We welcome the fact that salaries of ministers of the Crown will be reduced by approximately 2.5 per cent of their total income. That is a token amount and that is appreciated.

However, I would suggest a better approach would be the one suggested by my leader, the hon. member for Yukon, the Leader of the New Democratic Party who suggested that with regard to members of Parliament who have to pass any legislation that deals with members' income, members' pensions, perks, and the rest of it, it should pass by this House.

However, it is not appropriate for us to be doing this ourselves. As we have suggested, there should be a committee, an independent body set up that will make recommendations to this House with respect to MPs' salaries, ministers' salaries, perks, pensions, everything that surrounds a member of Parliament or minister of the Crown. That package would come to this House and would simply be passed by this House without any questions being asked. That is a more responsible approach to this issue.

• (1610)

There are two other areas I would like to spend a little more time on. One is with respect to small business. This bill purports to make changes to the Small Businesses Loans Act which will increase the amount of loans that are available under this act from $100,000 to $200,000. It is important to point out some of the background with respect to this bill.

Since its establishment in 1961, the objective of the Small Businesses Loans Act has been to encourage private commercial lenders to make term loans to small business enterprises for financing the establishment, expansion, modernization and improvement of specified fixed assets, equipment, premises and land. The rate of interest must not exceed chartered bank rates of prime plus one. That is all very well. As well, the federal government is liable to pay 85 per cent of any loss sustained by a lender as a result of a loan made under this act since 1985.

There is nothing wrong with that aspect of the act. There is nothing wrong with increasing the amount available under the act for loans. However, there are problems with this bill, the main one being that small businesses are having difficulty getting any loans under this act. In fact, trying to obtain a loan in the first place is a major task. One main reason is that the attitude of the banks is that most small business people are simply a bad risk. I have been told by people in my riding that if a small business entrepreneur has an opportunity and is a good credit risk, banks often time will not even mention the Small Businesses Loans Act and will offer them money under a different program. Of course, the goal of banks is to bring in the most revenue possible. As we have seen in recent days, bank revenues are at record highs for a number of the chartered banks.

It is interesting to note that the number of small business improvement loans made by lenders has decreased from almost 35,000 in 1985 to a little over 10,000 in 1991. That is a major decrease. The amount of money lent decreased from over $1 billion in 1985 to something like $413 million in 1991.

We have to emphasize that the banks have a responsibility to help end the recession. The problem with the Small Businesses Loans Act is that we need the banks to make it work. Small businesses create over 80 per cent of the new jobs in Canada, but the banks would apparently rather lend to large businesses than to small business entrepreneurs. Therefore, increasing the limit to $200,000 is simply not going to help the small business operator if he is trying to get a loan for $40,000 or $50,000. It does not help them.

Small businesses are hurting. Business bankruptcies are up again. In September over 1,200 businesses failed, up 18 per cent. While the banks are cutting back on loans under $100,000 to small businesses under the Small Businesses Loans Act, in the fiscal year ending March 31, more than 85 per cent of all funds for loans and guarantees by the Federal Business Development Bank were in the over $100,000 category. This government needs to provide more risk and venture capital for small businesses and simply not just to larger firms.

I think we on this side of the House would all agree that small business plays an integral, essential role in the economy of this country. Over the last several years the small business sector has been responsible for most of the new job opportunities. Between 1980 and 1989, Stats Canada indicates that almost 80 per cent of the new jobs created in this country were created by small businesses with less than 50 employees.

Small businesses are often the mainstay of many small rural communities. I know that from experience in Saskatchewan, having been part of a major rural paper for this party. In fact, it is the first federal party to have a rural policy. I travelled to many parts of rural Canada this last year.

Small businesses are a mainstay in rural communities. This government and other governments have not focused attention on the need to help small businesses in rural communities. Certainly, this measure is not going to help them either.

Full employment can only be achieved with the full co-operation of Canada's small business sector. There is an unfair tax burden in that small businesses still pay an average tax rate higher than Canada's largest businesses. The GST will add further hardships both in compliance costs and in accounting costs for the small business person.

Ninety-eight per cent of small businesses are Canadian owned. Their earnings are usually reinvested right back into the community and into the Canadian economy.

Small businesses operate under severe constraints in the Canadian economy which in turn limits their potential to produce even more jobs. Constraints, such as high costs for development capital, severe undercapitalization, high interest rates and higher taxation levels compared to corporations put small business at a real disadvantage in the Canadian economy.

What should we do about this? The federal New Democratic Party has suggested a number of alternatives including: ensuring that banks provide more loans to small businesses at the rates given to big corporations; establishing a more aggressive buy Canada program which includes government contracts and is targeted to the small business and community enterprises; providing risk and venture capital for small businesses; providing greater opportunities for women to establish small businesses including the commitment by the banks to treat women in an equal manner; and identifying areas in which small business could expand to meet consumer demand now covered by imports.

We should be providing small businesses with relevant financial marketing and management assistance through federal one-stop shopping centres to be organized in conjunction with local business communities. This is really important in rural Canada. Reform of the Federal Business Development Bank is needed to focus its activities on small business, especially those most in need.

Canadian Patents and Development Ltd. should be directed to work with small businesses to help them patent new innovations and to market those patents world-wide.

The tax system should be changed to make severance pay tax exempt and to allow the tax-free use of RRSPs to start up new small businesses. We must immediately move away from the high interest rate policy that this government has pursued and as well withdraw the GST.

Those are measures that the New Democratic Party has suggested. They are measures which would help small businesses.

Although the increase in the funding from $100,000 to $200,000 in terms of loans in the Small Businesses Loans Act is fine, it certainly is not enough. It is certainly not going to help small businesses that are struggling today or many individuals who are thinking of starting up small businesses.

We all know that small business people spend a lot of hours working at their small businesses. Many of these people do not spend 35 or 40 hours a week working in their businesses; they will spend 75 to 80 hours or more. Often that person is the manager, the accountant and the clerk. You name it, they do it all. Those people have not received the respect they deserve from this Parliament.

Those are some of the measures my party and I support. They are measures which are essential if small business is really going to survive in this country.

I would also like to make some comments with respect to the fourth area with which this bill deals. That is with respect to student loans. This government is planning to remove the six month interest-free provision that is presently in place for student loans.

I remember when I was a student. I studied education initially and I also studied law. I graduated in April and was fortunate to get a job. In those days, there was still a big need for teachers and my job started in September. I had all of May, June, July, August, September and October before I had to pay interest on my loan.

• (1620)

That was very important for me because at that point, having been a student for some four or five years, I had a lot of debts. I had over $10,000 in student loans to pay back. It was essential for me to allow myself to get established. I taught in a small town in Kipling, Saskatchewan. I moved to that town. I moved my family there and incurred debts moving to that community.

The interest-free provision was very much appreciated by me. There are lots of students today who, even if they do get a job after completing school, should have the opportunity to establish themselves in the work place. This is simply not going to happen now.

To be faced with an interest burden as soon as students graduate simply is not fair. Many students find themselves out of luck and do not get jobs with anywhere from $8,000 to $18,000 in loans. If they still do not have a job after a year or so, their best course is to declare bankruptcy. That is what I would advise them to do.

Why should they be faced with that burden? They come out of school owing $18,000 or $20,000 and that is rising at the rate of who knows what the interest rates might be because they seem to be going up and down like a yo-yo. The last thing they need if they start working after a year or so is to face that increasing burden. This government is simply encouraging people to avoid paying those bills.

The hon. member for Sault Ste. Marie also raised a very important point with respect to the fact that students are often hassled with their loans. I have had constituents come into my office as well. A number of times former students have come in and have said that they are working at a minimum wage job somewhere, or

that they do not have a job yet, or that they are single parents. There is a whole host of situations.

In any case, they are being hassled by collection agencies. I have had occasions to deal with a few of those agencies on the phone and it is very difficult. It is not very pleasant nor very fair to have a collection agency harassing a student. This government should do something about that. If it wanted to help students, it could start with this.

The 3 per cent surtax now on student loans which the government said it was going to remove but is still being taken off the top when a student gets a loan is also a burden. Yes, it is a lot of money when you are a student and you do not have a lot of money to spend. You lose 3 per cent off the top of a loan that you have to pay back and that you are going to pay interest on as soon as you graduate.

It is true. As I listened to debate on this bill today there were some comments with respect to the fact that moneys given to the provinces for education are not always channelled to that particular goal or objective. The accountability is not there. This was something that was removed by the Liberals back in 1975 and has not been dealt with since. One of the ways the government could deal more efficiently and effectively with student loans would be to put that accountability in place. That would be helpful.

As far as students repaying the loans not only should we be providing a six-month grace period, we should also be providing a grace period until the student obtains a job. Then the government would get its money back. We would not have the $600 million or $700 million in outstanding loans that are not being paid back to the government. Students would be making payments on their loans. When a student has a mounting debt and is trying to make payments on the loan but is having a very difficult time just meeting the interest payments it does not make him or her very anxious to pay that debt off.

We should show a little more respect for our students. After all, if we are going to compete in this world and if we are going to be a competitive nation, we are going to need educated Canadians.

We want to encourage people to go to school. We do not want people to be detracted from going to school because of lack of finances. We want to be encouraging people to take out loans to get an education and contribute to society. When a student graduates and there is no job available, it is not that student's fault. What we should be doing, I would suggest, is providing an interest-free period until that student obtains a job.

Although there are derelicts in this country who will negate their obligations, the vast majority of students do not fall into that category at all. In fact, I would suggest that the vast majority of students would be more than willing and would want to pay back their loans.

Students should be treated fairly. Once they have a job and start making a contribution to this country they can pay back their loans and can start paying interest. However, to burden students with a debt load before they find a job is unfair.

What this government is doing with the proposed changes to the student loan legislation is not going to help the government or the students and that is unfortunate. Therefore, I certainly will not be supporting this portion of that legislation and I believe the rest of my colleagues in this party will not be supporting it either.

Mr. Patrick Boyer (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, it seems that all of us who are getting up to speak on this have at one time or another had student loans and repaid them. I guess there is something to be said for the importance of this program over the years. It has helped a lot of us acquire a university education.

In the remarks just made by the hon. member he was outlining different parts of his party's policy dealing with this whole question. Certainly what he was saying about small business is not, as he was intimating it might be, just a concern to people on the opposition side of the House.

Anybody in public life in this country certainly understands the importance of small business. A lot of measures taken by the government bear that out that it is an enduring issue and an important focus for anyone in public policy in this country.

I would like to go on from that comment where I thought he was perhaps being too general to be really helpful in his assessment to a more specific point he raised. The member said that it was the New Democratic Party's policy to withdraw the GST.

I would like to ask the member what is in fact meant by that? Is it to revert to the pre-existing 10 per cent telecommunications tax that applied to phone bills and television cable services, that sort of thing, and the 13.5 per cent tax on manufactured goods and on building materials and so on?

In the alternative, if it is not to go back to that, is it simply to vacate that field entirely? If that is the case, how does he and his party propose to make up the shortfall in many billions of dollars of obviously needed revenue for the Government of Canada that any government needs to carry on the public service of the country?

Mr. Laporte: Mr. Speaker, with respect to the question by my hon. colleague across the way, it is certainly very tempting with the GST and its some $18 billion or thereabouts which I believe it brings in every year to maintain that sort of tax. It is not a progressive tax; it is a regressive tax. The hon. member says it is a progressive tax but it is a regressive tax. We on this side of the House are opposed to regressive taxes.

This country survived for 125 years without a GST and it has only been in the last little while that we have had a GST. There are alternatives. Certainly the way the manufacturers' sales tax was put in place was not the answer. We all agreed it was not an appropriate tax. This government actually doubled that tax in the years before it did away with it. That is not the answer, unless it is a very small tax.

• (1630)

What is needed in this country is some true, progressive tax legislation. This government should do a complete revision of the Income Tax Act. The Income Tax Act is not designed solely for getting tax revenue from Canadians. It is an act that has all sorts of social programs, social initiatives and economic initiatives tied to it. The Income Tax Act is cumbersome. Corporations hire accountants, tax lawyers and others and pay them good salaries, $80,000, $100,000 or $120,000 a year to find loopholes in it.

The previous Minister of Finance said he was going to simplify the Income Tax Act. All he has done is complicate it. The first thing we should do is take the Income Tax Act and throw it out and come back with a truly progressive, simplified Income Tax Act that will tax Canadians fairly.

At least $27 billion in corporate profits were totally untaxed in recent years and hundreds of billions of dollars are taxed at an extremely low rate. I appreciate the comments made by the member that we all appreciate small business. However, small businesses get the fewest breaks and the most taxes.

If we had a revised Income Tax Act that would provide fairer taxation for all Canadians and take some of the burden off the middle class, we would have a more progressive economy. We would also have an economy that would recover faster, because the middle-income people are the ones who do the most for this economy. They are the ones who buy the goods and services and they are the ones who contribute back into the economy.

Mr. Garth Turner (Halton—Peel): Mr. Speaker, I know the hon. member would not wish to mislead the House in any way. I would ask him to consider comments he made about the regressivity of the GST. The GST is a tax on consumption and when during a recession consumption falls then the tax take on a consumption tax also falls and that is extremely progressive.

That is exactly the reason why the amount of money collected by the GST, now at roughly $15 billion, is almost $2.5 billion less than the amount collected by the taxes it replaced. Anyone can see, in effect, that has amounted to a $2.5 billion tax reduction for Canadians during the course of this recession.

It is not just that which makes it more progressive. It is also the fact that the GST credit is in place, pumping about $2.3 billion this year back into the pockets of lower income people. Certainly the member has to agree that the GST regime and a tax on consumption, particularly when the economy has been in decline, has been a much fairer and progressive way to raise funds.

Mr. Laporte: Mr. Speaker, the GST is a regressive tax. It is regressive because it taxes everyone at the same rate. If I make $20,000 and I get a haircut I am charged 7 per cent tax. That 7 per cent is worth more to me than if I am making $60,000 and get that haircut. It is a regressive tax. There is a provision in it for the lower income group in our society to get something back. However, it is a regressive not a progressive tax.

Mr. Tom Wappel (Scarborough West): Mr. Speaker, I want to go back to what the hon. member for Etobicoke—Lakeshore had to say and I want to put the question directly.

As I understand it, the policy of the NDP, if Canada was unfortunate enough to elect them as the government of the day, would be to abolish the GST.

If the GST is abolished—even if we accept the incorrect figures of the hon. member for Halton—Peel of $15 billion—we no longer have $15 billion that we are using to fund existing programs. Precisely what will the NDP put in place to replace that $15 billion if it is going to abolish the GST upon coming into office? What else will it do, or how is it going to cover these programs?

It is nonsense to say that we will have a complete revamping of the Income Tax Act because any rational person knows that to review the Income Tax Act is going to take, if not months, years. In the meantime, is he saying that while his party is reviewing the Income Tax Act, we are going to continue to have the GST?

If he is going to abolish it, what is he going to put in its place? What policies is he going to cut?

Mr. Laporte: Mr. Speaker, with all due respect to my Liberal colleague, the position of this party is yes, do away with the GST.

A New Democratic government, the date it comes into power, is obviously not going to remove the GST immediately because it is making $18 billion. That is true, but an NDP government will remove the GST. Certainly in its first mandate it will be gone, and a more progressive tax system will be put in place.

The hon. member might consider talking to the hon. member for Broadview—Greenwood who I believe has ideas on improving the Income Tax Act. There is one alternative.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I thought I was going to get a break today and get the NDP to endorse a single tax. I guess no such luck. I keep hoping.

I want to begin my remarks today by referring to that portion of the bill that deals with the Small Businesses Loans Act. I have stood in this House several times and have said that I believe this is good legislation, the fact that we are taking the Small Businesses Loans Act from $100,000 and doubling it to $200,000.

Most Canadians do not realize that essentially this means that if I ran a small business and I went to my local bank, and provided the bank manager knew about the program, I could be entitled to up to $200,000 in a loan from that bank on capital items. The bank is supposed to be progressive in its attitude of lending under this legislation because the bank is guaranteed 85 per cent of the loan if the company should go into default.

My problem with this legislation is the fact that very few bankers across Canada know about this program. I have been pleading for months with this government to try to do something to communicate to all the bank managers in Canada that this legislation exists.

If the government were to do this, it would go a long way in rekindling some spirit of hope and confidence in the small business sector. I will not go into a long dissertation on the importance of small business to the economy of this country because we all know that small business employs close to 80 per cent of the people.

We also know that the greatest hope for new job creation lies in this particular sector. The government needs to address the communications aspect of this particular part of the legislation, the Small Businesses Loans Act.

• (1640)

The second thing I find frustrating is that it has taken us almost a year to put this amendment to the Small Businesses Loans Act through the House of Commons. This is the kind of thing I really believe serves us poorly as legislators, as members of Parliament.

It is almost nine months since the Minister of Finance announced this legislation. The press reports would talk about the Small Businesses Loans Act going from $100,000 to $200,000. That creates an expectation with many businessmen out there that there is something in this budget for them. It is almost a year later and we still have not made this legislation come alive with the business community of this country.

Basically there is all-party agreement on this legislation. It seems to me that when we think about little things we could do that are not going to cost the treasury any money, things we could do to stimulate the economy, deal in some hope with the small business sector, here is legislation that could have gone through this House six months ago and there would not have been anyone on

this side to say that we are against moving this legislation through too quickly.

As someone who comes from a small and medium-sized business background, I can tell you if there is one thing that tends to discourage an entrepreneur, not from time to time but often about the way this place works, is that we seem to take so long doing so many simple things, and this is a specific example.

The other thing I would like to deal with is that section of the bill which deals with the amendments to the Lobbyists Registration Act. The amendment gives the Governor in Council regulation-making power to enact regulations charging a fee to be paid by lobbyists when as required by the act they register under the act.

I am going to be critical of the government on this particular part of the legislation. The Lobbyists Registration Act is like smoke and mirrors. Basically we are amending the act so that from now on lobbyists are going to be charged when they register.

We need a full debate on how the lobbyists or the government relations people who are involved in that exercise in this city interact with members of Parliament, interact with officials, interact with the entire policy-making apparatus.

I watched the member for Etobicoke—Lakeshore last night on cable 10 in Toronto where he was being interviewed on, I think, John Tory's show. The subject being discussed was the way lobbyists were basically manipulating the system from the bottom up in this town. I commend the hon. member for his straightforward remarks. They were right on the button as far as I am concerned.

I can remember back in 1980 there were a few lobbyists around this town but they tended to be people who would try and advocate a thrust that was more along the lines of policy-making or policy amendments.

In the last five or six years I have noticed the incredible industry of lobbyists that has emerged. It is like a whole new sector of the Ottawa economy. These various government relations vice-presidents and various associations not only work on policy but are now lobbying for grants and are lobbying for contracts for privatization of airport terminals. It is the most incredible thing.

It is at a point now where anything of substance that goes on in this city by-passes most MPs. Good lobbyists will deal with a cabinet minister's office. Let us say it is something to do with transport. They will deal with senior officials and with critics directly related to that particular issue. They will basically by-pass the whole parliamentary process.

We do not need some little tinkering amendment to the act which is contained in this particular bill. We need a full-blown debate on what goes on in this city and in this country with the lobbyists.

It is not that I am against the exercise of people wanting to advance their particular point of view, whether it be the auto sector, the oil sector or whatever. What bothers me about it is the way the whole thing is shrouded in secrecy.

In the United States all lobbyists are registered, but they also have to report their sales and their fees. In other words, if I was a lobbyist representing a particular client in the oil industry or the oil sector I have to register the amount of money that I received from that particular account.

If all of a sudden it is seen that I am representing a particular industry and at the end of the month or at the end of a six-month period I post that I received $10 million in fees from a particular sector of the economy people will certainly know where my thrust is coming from. It tends to make people a little more alert to what is going on in the process.

It is incumbent upon the government as it is preparing itself to do a little bit of a face-lift over the next 30 days—we understand that the government is preparing a Speech from the Throne and maybe right at the top of the list it could say that it is going to take a good hard look and review the lobby system, how it works and how it affects the parliamentary process in this country.

Maybe before this particular Parliament ends some of us can become relevant again. Right now, as most of us would agree, it seems that on any given day the lobbyists are more relevant than some of us.

Mr. Lee: They're outflanking us.

Mr. Mills: They are outflanking us, as my colleague from Scarborough—Rouge River has just said.

As for student loans, my government House leader said it all today when he talked about the fact that the credit collection system that this government has hired is very tough. We are talking now about student loans that are not necessarily in default, but people are a little slow or their payment schedule has been delayed.

• (1650)

Quite often that delay in payment schedule has been due to unfortunate circumstances. Maybe a young person who has graduated has not had the opportunity to find a job or maybe there were some other commitments in terms of family or whatever that had to be looked after right away. It is so demeaning when someone is just in the process of getting on their feet, and I have had single mothers in my own riding come into my office a couple of times almost in tears when they have received phone calls, letters and threats. In particular cases in my riding this agency was called Total Credit Collection. It was so aggressive in its approach that it just knocked the stuffing out of these people who were trying to get on their feet.

There is absolutely no reason why the government cannot send some signal to these collection agencies it has hired to be a little more sensitive. I can see these people using that technique if it is someone who has a healthy job, if they have assets and resources and are trying to default on paying the debt back to the Crown as a point of negligence. Fine. I can see the collection agency being a little bit aggressive with that kind of person.

However, I do not think it is very constructive to pick on people who are disadvantaged during a very tough time.

I know that even though we are trying to put across our point of view on some of these particular components of this bill here today the government will probably not do anything to amend it. We can only hope for some direction from it to the various agencies it is responsible for to ensure that they will be a little more sensitive. I challenge the government to address the issue of lobbyists.

Mr. Patrick Boyer (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, the member for Broadview—Greenwood has given another of his thoughtful speeches. I want to pick up the challenge he has just issued to deal with the lobbyist issue.

I suspect that if he would have moved an amendment to the provision he has pointed to dealing with the fees it probably would have been one I would have gladly seconded.

As we are not going to have that exchange right now, at least the House has just referred to the Standing Committee on Corporate and Consumer Affairs the Lobbyists Registration Act so that it now undergoes its three-year review.

While I know that some members of this House and certainly most of the practitioners of the lobbying trade would say: "The present legislation is fine, leave it alone, thank you very much" there are certainly many of us—and I would hope most members of this House—who feel that the practices engaged in by those who insert themselves between the people and those in their government and extract a fee for doing so—and I speak here of the tier one lobbyists, not the tier two lobbyists. They finally have an opportunity before this committee to make their views known because we will certainly want to make our views known about what we consider to be something that is fundamentally undermining representative democracy and eclipsing Parliament.

The member for Broadview—Greenwood spoke of the minimal contact between these representatives of special interests in our society and those of us who are elected officials. A senior representative of one such lobbying firm told me not more than 5 per cent of all their contacts are MPs. That number is in the published literature as indicating where the contacts are made.

There are many things that have undermined the peoples' elected Chamber over the past two, three, or four decades. This is one of them.

The fact is that we as parliamentarians will now have a chance to review the Lobbyists Registration Act and deal far more substantively with the issues that are raised here about democracy in Canada and the conduct of public business than is dealt with in this one amendment, which only goes to the question of a fee that is charged.

It is time for us to look at other aspects such as the abolition of contingency fees, such as disclosure of the ownership of the lobbying firms, such as having elected officials report the contacts made by lobbyists, such as disclosing the exact nature of the lobbying transactions, such as disclosure of fees, random spot checks and verification, and such as the government bringing in Bill C-43 which was studied by a joint committee of this House and the Senate, recommendations now made to deal with conflict of interest.

All of this is uppermost in the minds of Canadians who like many of us here want to see some fundamental reforms in the way Canadian democracy is practised.

Mr. Mills: If that is a motion the member for Etobicoke—Lakeshore is advancing, I would certainly second it on this side of the House. He has hit the nail right on the head in terms of all the things that have concerned me.

Let us work together over the next couple of weeks to see if we cannot get something in motion with the consumer and corporate affairs committee. I appreciate the member's comments.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, now that the question and comments period has focused on the lobbyist registration provisions I want to ask my colleague from Broadview—Greenwood whether or not he thought it might be appropriate in the context of this bill to think a bit about the issue of the contingency fee issue raised by the member for Etobicoke—Lakeshore.

Many of the lobbyists now operate on contingency fees. A lot of them are not out there trying to procure government contracts. They are simply trying to steer government in a specific direction on behalf of their clients. However those who are seeking government contracts often do operate on a contingency fee and therefore end up piggy-backing on the taxpayers' dollars. We are talking about millions and millions of dollars.

Instead of just an entry fee or a registration fee for lobbyists, why would our government not require lobbyists of the Tier I category who now operate on contingency fees to publish their hourly rates? In that way when the contract was given, when it was over, we could calculate how much work they did and how much they could get paid instead of simply taking 5 per cent or 10 per cent from a multimillion dollar contract. Would that not be a good amendment to this bill?

Mr. Mills: I believe my colleague from Scarborough—Rouge River has once again addressed one of the essential problems with what is going on with lobbyists. Too many of them are using the system. They are treating a government grant like a real estate agent selling a home: the higher the price of the home, the greater the fee. In other words, they will take 4 per cent, 5 per cent or 2 per cent on a multimillion dollar grant, contract or transaction. It is not right. This is the kind of thing we will have to address when the matter is in committee.

Mr. Garth Turner (Halton—Peel): Mr. Speaker, I would like to come back to some comments that the hon. member made regarding banks and small business loans.

He is quite right when he identifies the root of the problem as not necessarily being a legislative one but being one of attitude on the part of Canadian banks. He and I will both know that several banks over the last few days have announced some very impressive profit figures, which leads us all to the inevitable conclusion that it is not a problem of a lack of funds in the system. It is a problem of a desire or an ability to take any risks on the part of the banks or to share risks with those entrepreneurs who are willing to go out into the community and invest.

Certainly the legislation extending the ceiling from $100,000 to $200,000 is completely meaningless if entrepreneurs are not able to get their hands on the funds. It is incumbent upon us as parliamentarians to send the clearest and strongest message we possibly can, that we believe bankers need to loosen up their wallets and really put some of these funds into circulation.

• (1700)

I have a question for the member. Some of us have been kicking around the idea that perhaps there should be some changes to the Bank Act which would mandate certain percentages of the asset base of the bank to be forced into circulation for small and medium-sized businesses.

In other words, first an encouragement and if the encouragement does not work then perhaps some legislated way that we could require Canadian financial institutions, namely the big six banks, to make those funds available. After all, we have created an environment in which those bankers have grown large because of a lack of competition for a great period of time in this country.

Would that be something that the hon. member might consider looking into on his own?

Mr. Mills: Mr. Speaker, I say to the hon. member for Halton—Peel that would be a little too much regulation for me. I would like to see the banks give more autonomy to the branch managers. Often today one goes into a branch manager and he says: "Listen, I have a memo here from the head office and my hands are tied, even though I know and I recommend that you are a healthy, productive business, you have a great product, and you should be given the money".

We need to get the Minister of Finance, the minister of industry and the minister responsible for small businesses to call in not just the six banks but all the schedule B banks and use some moral suasion with all of them to make sure their branches exercise the legislation the House has created.

Mr. Sid Parker (Kootenay East): Mr. Speaker, I rise to speak on Bill C-76, an act to amend certain statutes to implement certain fiscal provisions of the budget tabled in Parliament on February 25, 1992.

There are four parts to this bill: changes to the Canada Student Loans Program, to the Lobbyists Registration Act, the Salaries Act, and the Small Businesses Loans Act. I wish to speak mainly to the Student Loans Act portions of the bill and to the small business provisions of the bill.

In the riding of Kootenay East we are about 1,400 kilometres from the closest university. When students make applications for their loans we know the kinds of problems they are facing when they come from that distance and the kinds of costs that are involved. To see what the government is doing I say is nothing worse than shameful. It is a tragedy.

It is a tragedy that this government comes out with these kinds of drastic changes to the Canada Student Loans Program during a time when it stands in this House and talks about competitiveness, about how we must retrain people and about how people must be better educated to be able to be competitive in the job markets that are going to be.

To say that a student, after he has completed his program, is not going to be entitled to the six-month grace period for interest on the loan when he pays it back at the end is nothing other than thievery. When these students come out most of them have spent their lives putting together and borrowing money to be able to go through university. They need a good six months to be able to re-establish themselves. They need the time to be able to adjust and find the locations where they are going to live and set up their lifestyle so that they can start to pay back their loans.

However, the government is saying no. It is saying that it is going to do away with the six months of grace. Immediately upon coming out of university they must pay them back. It is shameful. The government is talking about competitiveness and retraining. There are 1.5 million unemployed people at the present time, yet the government brings about these kinds of changes under the Canada Student Loans Program. At its semi-annual general meeting in May 1992 the Canadian Federation of Students adopted its policy. The federation is opposed to the government's abandonment of the original objective of the Canada Student Loans Program of enhanced access to post-secondary education. Again this is an attack on the students.

They oppose a statement for the Canada Student Loans Program based on speedy completion of the program. They oppose the establishment of a special operating agency to administer the Canada Student Loans Program. They oppose the elimination of interest subsidies on student loans for a six month cessation of studies, which I have already indicated. They oppose the government's move to divest itself of the public responsibility for providing 100 per cent guarantee of Canada student loans. They oppose the federal government's risk sharing arrangement with financial institutions as a means to guarantee Canada student loans.

They oppose the application of the commercial interest rate on Canada student loans. They oppose the increase from 60 per cent of full course load to 80 per cent in order to be eligible for a Canada student loan. They oppose the reduction of the limit of total borrowing from 520 weeks to 340 weeks under the Canada Student Loans Program. They oppose the government's move to end forgiveness provisions for students with disabilities under the Canada Student Loans Program. This is

shameful. No wonder not many government members are speaking on this legislation. It is very hard to defend.

An hon. member: We did away with the 3 per cent.

Mr. Parker: You did away with the 3 per cent. The government added 3 per cent last summer. Students were trying to get their loans and they were told there was a 3 per cent cost on top of the loan.

An hon. member: No more now.

Mr. Parker: They say there is no more now, but it was brought in by this government.

Students from my area of southeastern British Columbia are going to be deeply affected. Many of them probably will not be able to carry on with their education because of the policy of this government which calls for 60 per cent of the wages they make during the summer to be put toward their education in order to qualify for a loan. Because students from my area have to travel all that distance and stay in the facilities available to them, it just cannot be done and the government should not bring in these kinds of fiscal policies at this time. This is not the kind of program that should be cut.

This is not the time for the government to cut off payments to the provinces to assist in helping students get their education. It should be done universally. The federal government should ensure that the loans are available universally across Canada so that everyone has an equal opportunity for the kind of education that will be required in the future. If these students do not get the proper kind of education, we are not going to be competitive. We are not going to be able to meet the needs of the coming generations. The government should know that and should act to do something about it.

I have students calling me saying they are not able to get their student loans. They are finding out that they cannot go to university because they will not have enough money to carry it through. In a country as large as Canada, because students happen to live far way from a university, they cannot afford to go. The government is making it harder for them to get the kind of financing required for them to attend universities.

An hon. member: This is one of the most generous countries in the world.

Mr. Parker: Our youth require that kind of education and we must provide it in order to compete. Members opposite have said that themselves, yet we are cutting back and it is wrong.

• (1710)

I would like to talk about the small business provisions of this bill where the amount has increased from $100,000 to $200,000. That is not the problem with the small businesses.

There is a situation in my riding in southeast British Columbia, in Elkford, Sparwood and Fernie, where the mines have been shut down. The mines have not been in operation for over six months. The small businesses are now finding that the banks are coming in and saying: "We are going to have to foreclose". They need some assistance and they need that help during this period of time until the industry can be restructured.

This is not going to bring about the kind of help required there. This is not the kind of financial help the small businessmen need.

The small businessmen who come to me with their problems are the same ones going to the bank. They seem to have the assets to be able to borrow the money but the banks are not willing to give it to them or the banks are not willing to readjust their mortgages to help pay over a longer period of time so that they can survive. To add another $100,000 to the amount of money they can get is not going to help any if they cannot get the money in the first place.

Small businesses are the ones creating the most employment across Canada. It is the quickest method of getting people to work. They create the most jobs and it is distributed equally throughout the country.

If this bill addressed that problem and set up a system whereby small businesses were treated with some compassion, with some sensitivity and some recognition of what is required by the banks, we would find that they would be in a much better operating state than they are under this piece of legislation.

Is it any wonder that many small businesses have gone bankrupt. Foreclosures have taken place. Loans are not available for inventory financing, working capital requirements or the refinancing of existing debts, but it can finance up to 90 per cent of the eligible cost of land and premises and up to 80 per cent of the cost of equipment. The rate of interest must not exceed chartered bank rates prime plus 1 per cent.

A small business enterprise is one operating for profit with an estimated gross revenue which does not exceed $2 million in the year of application for whose principal business is in communications, construction, fish, manufacturing retail trade, service businesses, transportation or wholesale trade.

The federal government is liable to pay up to 85 per cent of any loss sustained by a lender as a result of the loan made after March 31, 1985.

This piece of legislation is not going to address the problems of these small business people, the ones requiring anywhere from $20,000 to $50,000 to be able to bring about the kind of help needed to carry them through or possibly even for their inventory. Those provisions are not there.

As might be expected from the above, the main problem for small businesses is not the loan limits. It is trying to obtain the loan in the first place. The attitude of the banks is that most small businesses are bad credit risks. That has to be changed. Increasing the limit is fine. We are not against that, but the banks have to be more co-operative. There is no sense increasing the limits if the banks will not lend the money in the first place.

Over the last several years the small business sector has been responsible for most new job opportunities. Between 1980 and 1987, Statistics Canada data indicates that almost 80 per cent of new jobs created in Canada were created by small businesses with less than 50 employees. This was true even during the recession in the 1980s when many larger corporations were laying workers off.

Small business is often the mainstay of many smaller rural communities. That is certainly the situation in my area.

They are feeling the pinch now and they need help. They need it now. Full employment can only be achieved with the full co-operation of Canada's small business sector. With regard to unfair tax burdens, small business still pays an average tax rate that is higher than Canada's largest businesses.

The GST will add further hardships both in compliance costs and in accounting costs for the small business person. Ninety-eight per cent of Canadian businesses are Canadian-owned. Their earnings are usually reinvested into the community and the Canadian economy.

Small businesses operate under severe constraints in the Canadian economy which in turn limits their potential to stimulate the economy and produce more jobs. There are constraints such as high costs for development capital, severe undercapitalization, high interest rates and higher taxation levels than corporations. This puts small businesses at a real disadvantage in the Canadian economy.

That is the problem. Large amounts of money are available. The banks are only interested in loaning out the large loans. They are not interested in the small businessman who comes in with his little problems. They figure there is too big a risk. They have not got the time to spend with them so they let them go.

It is a tragedy that during this period when we are talking about competitiveness and governments are talking about saving money and cutting back, it is cutting back on the two areas that could create the best benefits for the government.

Student loans provide students with the capacity to come out fully trained to be able to meet the demands of our future. Small businesses need help now to be able to hire people and get the economy going. The government is doing neither.

In closing, I appeal to the government to rethink this piece of legislation, to reintroduce it with more compassion, with more desire to bring about the kind of training and education system that we all want in Canada where our students can afford to go to university, get the training they want so that when they come out they will be of benefit to our country and our people.

Our small business people should be able to go to the bank with dignity. They should be able to walk into the bank with some confidence that they will be given a fair and equitable hearing. They should have an opportunity to be able to either pick up some inventory money to assist them with their inventory or to carry them through some difficult times or to be able to get some money to be able to offset some adverse circumstances that have occurred in the economy.

Further, they should be able to reinvest or redo their mortgage and carry it over a longer period of time so that they can sustain themselves through these difficult economic times. If the government were to take that approach, this would be a much better piece of legislation. It would be legislation that we on this side could support. We certainly cannot support this legislation.

It is unfortunate that there are four pieces tied into this legislation because there are parts with which I can agree. I agree with cabinet ministers taking a reduction in pay during this period of time, as set out in the bill. I can agree to some of the lobbyist statements in the bill. However I have to say to my constituents that students in my riding and students across Canada are going to find it very difficult to be able to get the amount of money that is required for them to carry on with their university studies.

• (1720)

Mr. Patrick Boyer (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, the hon. member just said that he agreed with the provisions that relate to the lobbyists. I would invite him to elaborate on that statement.

Mr. Parker: Mr. Speaker, the member has not exactly interpreted what I said. I said there are some provisions in this legislation which I can agree to. I said I could agree to the cutbacks in the wages of the Prime Minister. I said that I could agree to some of the provisions of the lobbyist parts of the bill.

Mr. Boyer: Mr. Speaker, it may surprise the hon. member but I am not hard of hearing and I am not that slow witted. I heard him just repeat a second time what he said four or five minutes ago, namely as far as the lobbyists are concerned he supports the provisions that are in the bill.

I rose to ask him if he would elaborate on what he means when he says he supports the provisions in the bill that relate to lobbyists. I did not invite him to reiterate all of his speech. I want him to elaborate on the point that he made here on the floor of the House.

Mr. Parker: I am just getting my notes together, Mr. Speaker.

I guess the point I could make is that the government should be charging lobbyists. It should know who the lobbyists are. They should be registered. I agree with that. I have no problems with that.

I have no problem with the government knowing who the lobbyists are, what the charges are and if there are charges, the government should receive that money. I have no problem with that. That is the meat of what this lobbyist legislation is about. I have no problem with that.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I am going to start my remarks by saying how profoundly I disagree with what I have just heard. It might sound to some people that it is a trivial matter to be charging a fee to lobbyists. I submit that it is not.

I have before me Erskine May *Parliamentary Practice*, twentieth edition. I want to read about the fundamental right of anyone to be able to speak to a member of this House without having to pay a fee. That is fundamental to a democracy.

Let me read some of it:

> The right of petitioning the Crown—

That means the right to make representation to any one of us.

> —for redress of grievances is acknowledged as a fundamental principle of the constitution. It has been uninterruptedly exercised from the very early times, and has had profound effect in determining the main forms of parliamentary procedure.

I read further:

> The rights of petitioners and the power of the House to deal with petitions were expressed in two resolutions of the Commons in 1669.

For 323 years people have been able to address Parliament without paying a fee. There is no reason why a lobbyist should be called upon to pay a fee today.

Sure, there are a few lobbyists that could make it into the list of the top 500 people in Canada. Sure, there are a few of them. That does not apply though to the Canadian Federation of Agriculture, the Red Cross, labour unions or a small business in my riding or the riding of the hon. member who wants to have a meeting with any one of us to come and ask for a grant, to come and ask us for help.

Why should people have to pay to see an MP? That is wrong. I do not care what anyone says. That is wrong. No one should ever have to pay to see a parliamentarian.

The law we have now for lobbyists, Bill C-82, received royal assent on September 13, 1988 and came into force September 30, 1989, a year later. Let me tell what parliamentarians had to say at that time. This was a unanimous report of our committee. I ask the hon. member from the NDP to listen to what his own colleagues had to say in a report that we tabled in this House. On January 27, 1987 page 2-15 our committee said: that there would be no cost associated with the filing of information and lobbying matters.

On June 30, 1987 the Ministry of Consumer and Corporate Affairs outlined what it proposed to do. Here is what it said: "There will be no charge to lobbyists to register and there will only be nominal cost to cover the cost of photocopying and such for people seeking information from the system". That is what it said.

Let me tell you what the then Minister of Consumer and Corporate Affairs and now government House leader said on June 30, 1987. He said, speaking to the Lobbyist Registration Act: "It addresses fairly and reasonably and effectively the public's need to know who is intervening and why". Listen to this: "It does so without placing any restrictions or burdens on the rights of Canadians to talk to their members of Parliament, or deal with the government on issues affecting them directly".

That is what the minister at that time said. It is an important issue. It is not just that we found a device here to get a few dollars out of someone that is rich. Even if they were all rich, which they are not, it would be wrong. They are not all rich.

Let me tell you what some of the groups have had to say about this measure. I read here a text that actually appeared in our parliamentary newspaper, *The Hill Times*. Sean Moore, a person who is quite familiar with the lobbyist registration system and has written more about it than probably anyone else save and except the hon. member for Etobicoke—Lakeshore perhaps, said: "In order to recover the costs the fee every time would have to be $54 per transaction". That is including registration and deregistration. Assuming you will not charge anyone to deregister, the cost would have to be $75 dollars per transaction. Can you imagine the Federation of Agriculture of my riding having to spend $75 for the privilege of talking to the hon. member sitting over there? Is that right to him? It is not to me.

Certainly the government can make a case for cost recovery on any other section of the bill. I would vote against it anyway because I will not agree, but on that section there is not just a principle of cost recovery. There is another principle far more important. It affects our rights as parliamentarians in this House and, more important, the rights of each and every Canadian to have the opportunity to address any one of us without having to pay a registration fee. That is the important principle, I submit.

I see my hon. colleague across from Etobicoke—Lakeshore. He is very knowledgeable in this area. He has worked on this in the past, has produced papers, has written about it and knows the issue very well. I worked on the committee that established our present lobbyist registration rules. I did so with the hon. member for Nickel Belt, the hon. member for Peace River and several others in this House. We produced legislation which is not bad.

It needs to be updated now because some people have found loopholes in it. As a matter of fact, as we are today debating this particular bill containing that clause, this same House has appointed another committee to review the lobbyist registration system. That is how wrong all of this is. It is absurd what we are doing right now.

• (1730)

Regarding the consumer and corporate affairs committee to which has been referred the Lobbyists Registration Act pursuant to the adoption of some years ago, we had a steering committee meeting the other day at which I recommended to our chairman, the member for Portage—Interlake, that both the member for Etobicoke—Lakeshore and the member for Peace River be seconded to that committee because of their expertise so that we can all work together to improve the bill, to get rid of what I euphemistically call the MacAdam loophole or other loopholes that exist in the legislation and find ways of making it better.

I want to do that but I say to members of cabinet that if that is what they want, why do they not submit that proposal to our parliamentary committee, have it reviewed by all members of this House, test it out and listen to witnesses on it, not move it unilaterally and in the disguise of a cost recovery bill because that is wrong? That affects all of our privileges as MPs, both in this House and in the other place.

If no one from the government side—I do not mean from the benches other than the cabinet, but at least from the cabinet rows—listens to this today in this House, I hope that members from the other place will take this issue most seriously because it affects them individually and collectively as it affects us as members individually and collectively.

I say to all hon. members of this House read that clause in the legislation. Read it carefully. Read what others have said about it. I think you will agree as I do that this clause is not only bad in terms of cost recovery—you can argue, agree, or disagree on that point—but it is bad because it infringes upon our privileges as parliamentarians and upon the rights of those we are called upon to represent.

That is why we should not even be voting on that particular clause. It should be removed from the bill altogether and if the government wants to proceed with that approach—even though I happen to think it is wrong—it can make that submission to the committee looking at the bill and can argue it there. Witnesses can make representation. The anti-poverty group can come and say whether it thinks it is right or wrong to have a fee for lobbyists.

Big business can come and make the same pitch if that is what it likes, but that is the forum in which to do it, not this bill because that is not right.

If members were to listen to this testimony, not just mine, but that made by others who are experts in the field, they would know that this is not a good idea.

The only salvation I can think of at this time is that this particular clause is discretionary. It says the Governor in Council may make regulation.

My only hope today is if this government is so wrong-headed as to proceed with that particular clause, at the very least it will either not promulgate it or not file any regulations afterward, not gazette any regulations pursuant to that clause so that at least we will not be subjected to the clause in question before we have that rigorous test that we are going to have as an institution when we review the Lobbyists Registration Act in the time to come.

I know I have been given up to 20 minutes to comment on this but I feel so profoundly about this particular clause that I shall not address any other part of the bill. I will limit my comments to this and instead invite colleagues to question me on this. I feel it is an important principle, one that each of us should think about today. Hopefully the government will think about this again. If it does not choose to withdraw the offensive section in question, at the very least the next best thing will be never to promulgate it and next best to that is to never produce regulations prior to the testing of this whole idea by the parliamentary committee in question.

Mr. Patrick Boyer (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, the hon. member for Glengarry—Prescott—Russell has made a very telling point in addressing this bill and focusing on the fee that would be charged to lobbyists.

It is the nature of legislation coming from the finance department that its perspective on this would be to look at the revenue possibilities of anything and everything and for a government that is facing deficits, as are all governments in our country at all levels, looking to find funds wherever it can.

It is abundantly clear, as the hon. member has just explained, that the narrow focus of simply revenue raising is inappropriate in several respects when it addresses the interaction of those with public government in Canada.

In the first instance, and he mentioned this as well, this is being referred currently to a parliamentary committee that is going to review the entire operation of the legislation that governs lobbyists in our country at the moment and can in that way begin to address some of the fundamental problems that have come to light over the past decade. That is the broad and proper context in which to review this, not simply in the narrow framework as one can understandably expect from the Department of Finance to look at cost recovery wherever possible.

The member could perhaps elaborate on another issue and this has to do with the points that I made earlier. I had listed six or seven points of fundamental reforms,

radical changes that are needed dealing with the tier one lobbyists here in Ottawa; that it is a way of actually getting at the major concerns about undermining the operation of public governance. This exclusive measure of simply raising fees is an inadequate response to this much more deep-seated problem in the way that lobbyists are conducting themselves.

For Parliament at this time to be dealing with such narrow and limited aspects of the total operation of lobbyists does not reflect well on this place, given also the fact that we will have a parliamentary committee dealing comprehensively with the issue.

The member did very well to quote from Sean Moore, who is certainly an astute observer of what has been underway recently in Ottawa with respect to lobbyists. I see the Chair is impatiently wanting to hear from the hon. member in response, so I will permit that to happen by making a specific question.

Would the hon. member contemplate that a good measure for the Standing Committee on Consumer and Corporate Affairs, which will now be looking at the Lobbyists Registration Act, ought to have as its first step a resolution directed to the ministry to request that this permissive power given by the section in this legislation to make these regulations be put on hold, be placed in abeyance, certainly pending the final report from that committee on the Lobbyists Registration Act?

Mr. Boudria: Mr. Speaker, I want to respond to some of the points our colleague has raised.

First of all, I do not question that it is the role of the Department of Finance to produce legislation to raise funds. That is the role of the minister, too. It is our role as parliamentarians to sort through that. That is where I think—and I am not anticipating a vote of the House here—we will probably fail later today.

• (1740)

In my own mind I am trying to think that if this kind of bill were presented before the British House of Commons there would likely be a backbench revolt. What are we doing about it? Not much. In a few minutes we will be voting on this bill and the sad reality is that because it is included with other measures which will be largely supported by government members, which is understandable, this will likely carry with it as well. That is what is wrong. That is what is so terrible about this.

The failure is not one of the Department of Finance. Collectively and individually it will be ours as an institution in a very few minutes. That provision should be put in abeyance and it would certainly be a very worthwhile suggestion that the first motion passed by the committee be one to ask the government not to implement this change before a thorough airing before the committee reviewing the lobbyist legislation.

The committee will no doubt want to review this possibility of charging fees. It will want to review whether the fees of lobbyists should be made public or whether the disbursements to lobbyists should be made public. That is the case in California. It is a good idea to review that and discuss the merits for and against, what amount and so on, thresholds and what have you, and decide whether paid and unpaid lobbyists or paid lobbyists doing unpaid activities should be registered. That is a loophole that exists now.

All of this is not because lobbying is sinister, evil or wrong. There is nothing wrong with doing that. At least I submit there is nothing wrong. Every time a constituent phones any one of us asking for his rights, defending his rights, airing his grievances, that is lobbying. That is okay. Whether someone charges or does it for free it does not make any difference providing it is done legally and with all good intent and with the opposing party's right to know, being there. We have the lobbyist registration system so that the opposing side can be heard. The opposing side can know who is doing what to whom. That is proper. There is nothing wrong with that.

However, our role has to ensure that we have a strong system to preserve integrity; a system that will ensure that everyone can know what is happening in the best possible way and at the same time no one is hindered in his or her attempts to reach Parliament or, to put it in ancient terms, to petition Parliament, being any one of us individually or all of us collectively.

In conclusion, that is why I feel so strongly about this clause. I submit to all my colleagues that they should take a few moments to reflect upon it as well.

The Acting Speaker (Mr. DeBlois): The first five hours of the debate have now expired. The length of the speeches now will be 10 minutes maximum without questions or comments.

Mr. Mike Breaugh (Oshawa): Mr. Speaker, I wanted to participate in this debate this afternoon because I think it marks a trend I see not just here in this House of Commons but across Canada and it disturbs me.

It is fair game for governments at all levels to turn to their senior staff and talk about revenue; how to generate more revenue for government, how it could be done in a creative way. I am disturbed by the outcome of the process, much like the previous member said in some of his remarks.

If the Parliament of Canada were given a long list of ways in which more money could be generated, that would seem to me to be a fair, open, reasonable and sensible process and we could somehow pass judgment on what is a good idea and what is a bad idea.

The process that I work with here and have worked with in other places does not really ever do that. This bill in its current form strikes me as being the most wrong-headed approach you could conceivably come up with; four rather disjointed notions about how to raise revenue all put together in one bill. Somehow it then gets translated into something that would be almost a matter of confidence. It is impossible to tear the four pieces apart and say that this might be supportable but this is not, or to examine the good and the bad of each one of the four sections of the bill, or to say that somehow this would be a sensible way for a government to raise revenue. It has all kind of bonded together in one bill. Therefore I think there is an error in process in that sense.

There is also something about this that whenever governments decide to squeeze the system it somehow always grabs the wrong person and squeezes that person. In this bill, for example, students are being asked to kind of give up a bit of an advantage in that they had a grace period, only six months and only for those who received Canada student loans. We are not talking about a lot of people, but surely of all those people in our society whom a government could raise a little more money from this is not the group to hit on.

This is not the only government in Canada to target this group. Whether it means to do that, whether there is a great deal of thought in going through it or whether this somehow just kind of pops up on a computer somewhere and makes it through an internal, quiet, secretive selection process that says get more money from this group, I cannot believe that a group of members of this Parliament would sit down in open debate anyway and say: "Here is a group you ought to get more money from, students. Let us nail them before they even have a job. Let us nail handicapped students in particular. They are unlikely to ever get a job so get at them right away". That does not seem to me to be a logical outcome of a process.

In my own province, for example, a young woman was in to see me about an ID card that she had received from the province of Ontario. Between the time she had sought the application for the card and actually filled it out the price of that identification had risen from $3 to $15. I know Ontario is in hard times and I know the government in Ontario is looking for all kinds of ways to generate revenue, but was that the outcome of a thoughtful process, that this is where you need to generate your income?

In this bill here, is this the outcome of a thoughtful process? I think not.

As the previous member went through the Lobbyists Registration Act portion on this, I would not mind touching on that a bit as well. I do not read anywhere in here that somebody who wants to come and talk to me is now going to be charged a fee. Nobody I know would be stupid enough to pay such a fee in the first place and there is nothing in this bill that I read that says they have to do that, but there is certainly a lot of open-endedness here. The actual fees may well be set by a government sometime at a later day and, if it thinks of it, it may even tell the Parliament of Canada what it has done. That is surely the wrong way to do that.

If there is a problem with lobbyists, and I would be one who would advocate that there is and who would advocate that you ought to have some kind of a registration act that worked, the current situation seems to kind of blow it all away. At the same time that the government is changing this act, another parliamentary committee is going to review it once again. That cannot be a logical process either.

If the general public is somehow saying it has given up on politics, perhaps this is one of the reasons why. Perhaps this is one of the things that makes people in their living rooms ask what is going on here; the government is passing an act and reviewing an act at the same. Different acts are being reviewed in different ways. Somehow to those of us who play the parliamenta-

ry sport it makes some sense if you turn your mind to it. However, to the general public it makes no sense.

There are changes in here about loans to small businesses as well. I found it interesting as I read through that section of the act that deals with small business loans, but that is not the problem that most small businesses talk to me about. They do not have a problem with limits, they have a problem with getting somebody to loan them money. If we were trying to turn this economy over one would think that whether the government in particular wants to directly provide loan moneys to small businesses, which would be one mechanism it could use, or even if it just wanted to help small businesses secure loans from private lending institutions which would be another way to do, that at least is identifying the problem and doing something about it.

The confusion in the public mind exists concerning the question of why raise the limits when nobody is going to get a loan anyway? That seems to be the problem. I can think of two or three federal agencies all purporting to help small business. I go to meetings and get briefing notes from all these agencies whose purpose in life is to assist somebody with a small business. I would have to tell members that I have never seen one of them actually help somebody. I am sure they do. I have just never seen it happen, but I have been in politics for only 20 years. Maybe in my 21st year in public life it will happen, but I have not seen it take place yet.

• (1750)

I know they have seminars on how to do this. I know they put out very attractive brochures on how to do this. I know they are very active at every reception I have ever been to, but I have never seen them perform what is purportedly their basic function: helping somebody get a loan.

I find it pretty difficult to defend when I see somebody who is supposedly out there assisting small business. People come in my office and say: "I have a small business. I would like to employ five more people. I have five in my work place now. I would like to employ five more and I cannot find anybody who will help me".

I will say: here is an agency of the federal government or an agency of the provincial government or an agency at the municipal level and they are all supposedly helping small business get started. Inevitably they all come back to me and say: "They seem to want to lend money to people who do not need it. They seem to want to help those who are already a success. They seem to want to buy into a winning idea, but nobody really wants to help a small business group that is just starting out".

I talked to a guy this morning who has just exactly that problem. He has some good ideas. He has some good products. He would like to employ more people, but there are no agencies in place to help him. Two years from now, if he makes a success of his business, there will be all kinds of people wanting to buy into that idea. That is the tragedy of this bill and many other bills of the same ilk that seem somehow to identify a problem and then get totally irrelevant when it comes to providing solutions. That is what I find ironic about this entire process.

This process, this bill in particular, does not make any sense to me. Somebody could say: "Why do you not take one of your parliamentary committees, some senior staff, and identify all the ways in which governments can generate more money? Let the parliamentary committee report annually, never mind once in its lifetime, on things that are stupid, on ways in which governments could either reduce their expenditures or raise some more money".

That would be a fair and open process that all of us could watch happen. We could understand the logic or the lack of logic that is the outcome of that, and we would at least know what is going on. This bill, it seems to me, is one of those classic examples of somebody turning to senior staff and saying: "Find me some more money somewhere in the system". The four solutions that are presented here do not do anybody any real good.

There is even a section in here that talks about the cabinet's salary. I am sure that is wonderful, but I am also sure that will not feed one family in Canada this year. That is a shame because there was an opportunity through this type of activity to rationalize governments. That perhaps is a contradiction in terms, but it seems to me that governments do not have to be this illogical, this irrational.

There are ways and means in which members of this House could serve a useful purpose, could identify areas where governments are spending money that they do not need to spend. They could probably even identify some ways somewhat like these that could generate a few more funds and would not really hurt people.

It seems to me that at the nub of this bill the wrong thing is being done. It is attacking the wrong people and doing something that really will not help anybody. It seems to me that is wrong.

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

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Call in the members.

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

(Division No. 351)

YEAS

Members

Anderson
Atkinson
Bertrand
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Brightwell
Cadieux
Chadwick
Chartrand
Collins
Côté
Crosbie (St. John's West)
Andre
Beatty
Bjornson
Blais
Bosley
Bourgault
Browes
Cardiff
Champagne (Champlain)
Clark (Brandon—Souris)
Corbeil
Couture
Darling
Desjardins
Domm
Duplessis
Epp
Feltham
Fontaine
Gibeau
Greene
Halliday
Hawkes
Hockin
Holtmann
Hughes
Jelinek
Joncas
Kempling
Landry
Larrivée
Lopez
MacDougall (Timiskaming)
Martin (Lincoln)
McCreath
Mitges
Moore
Oberle
Paproski
Pronovost
Reid
Ricard
Robitaille
Schneider
Shields
Sparrow
Tardif
Thompson
Turner (Halton—Peel)
Vézina
Vincent
Wenman
Wilson (Etobicoke Centre)
Dobbie
Dorin
Edwards
Fee
Ferland
Fretz
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Harvey (Chicoutimi)
Hicks
Hogue
Hudon
James
Johnson
Jourdenais
Koury
Langlois
Loiselle
MacDonald (Rosedale)
Marin
Mazankowski
McDermid
Monteith
Nicholson
O'Kurley
Porter
Redway
Reimer
Richardson
Roy-Arcelin
Scott (Hamilton—Wentworth)
Soetens
Stevenson
Thacker
Tremblay (Québec-Est)
Valcourt
Vien
Weiner
Wilbee
Winegard—106

NAYS

Members

Althouse
Angus
Berger
Black
Boudria
Brewin
Caccia
Catterall
Crawford
Dingwall
Finestone
Foster
Gaffney
Gauthier
Grey (Beaver River)
Harb
Harvey (Edmonton East)
Hunter
Keyes
Langdon (Essex—Windsor)
Leblanc (Longueuil)
MacAulay
Marleau
Mills
Parker
Proud
Riis
Simmons
Taylor
Vanclief
Wappel
Wood
Young (Beaches—Woodbine)—65
Anawak
Bellemare
Bevilacqua
Blaikie
Breaugh
Butland
Campbell (South West Nova)
Comuzzi
de Jong
Edmonston
Fontana
Fulton
Gardiner
Gérin
Guarnieri
Harvard
Hopkins
Jordan
Kilger (Stormont—Dundas)
Laporte
Lee
Manley
Milliken
Pagtakhan
Pickard
Prud'homme
Rompkey
Skelly (Comox—Alberni)
Tobin
Walker
Whittaker
Young (Acadie—Bathurst)

PAIRED MEMBERS

nil/aucun

[*Translation*]

The Acting Speaker (Mr. DeBlois): I declare the motion carried.

Bill read the second time and referred to a legislative committee in the Economics envelope.

* * *

ACT TO DISSOLVE OR TERMINATE CERTAIN CORPORATIONS AND OTHER BODIES

MEASURE TO ENACT

The House resumed from Thursday November 26, consideration of the motion of Mr. Mazankowski that Bill C-63, an act to dissolve or terminate certain corporations and other bodies, be read the third time and passed.

The Acting Speaker (Mr. DeBlois): Pursuant to order made on Wednesday, November 25, 1992, the House will now proceed to the taking of the deferred division on third reading of Bill C-63, an act to dissolve or terminate certain corporations and other bodies.

[*English*]

Mr. Dingwall: I rise on a point of order, Mr. Speaker. There may be a disposition in the Chamber to apply the vote which has just taken place on Bill C-76 to the deferred division on Bill C-63, as well as to the deferred division on Bill C-26.

Miss Grey: I rise on a point of order, Mr. Speaker. I would like it recorded that I am certainly in favour of that. I would just like to put my position on the record for the Table. On Bill C-63 I would be voting yea and on Bill C-26, nay.

Mr. Boyer: Mr. Speaker, I abstained from the vote on Bill C-76, but I would like to have my vote recorded as in favour of both Bill C-63 and Bill C-26.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent for suggestion of the hon. member for Cape Breton—East Richmond?

Some hon. members: Agreed.

[*Translation*]

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

(*Division No. 352*)

YEAS

Members

Anderson	Andre
Atkinson	Beatty
Bertrand	Bjornson
Blackburn (Jonquière)	Blais
Blenkarn	Bosley
Bouchard (Roberval)	Bourgault
Boyer	Brightwell
Browes	Cadieux
Cardiff	Chadwick
Champagne (Champlain)	Chartrand
Clark (Brandon—Souris)	Collins
Corbeil	Côté
Couture	Crosbie (St. John's West)
Darling	Desjardins
Dobbie	Domm
Dorin	Duplessis
Edwards	Epp
Fee	Feltham
Ferland	Fontaine
Fretz	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Grey (Beaver River)	Guilbault
Halliday	Harvey (Chicoutimi)
Hawkes	Hicks
Hockin	Hogue
Holtmann	Hudon
Hughes	James
Jelinek	Johnson
Joncas	Jourdenais
Kempling	Koury
Landry	Langlois
Larrivée	Loiselle
Lopez	MacDonald (Rosedale)
MacDougall (Timiskaming)	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
Mitges	Monteith
Moore	Nicholson
Oberle	O'Kurley
Paproski	Porter
Pronovost	Redway
Reid	Reimer
Ricard	Richardson
Robitaille	Roy-Arcelin
Schneider	Scott (Hamilton—Wentworth)
Shields	Soetens
Sparrow	Stevenson
Tardif	Thacker
Thompson	Tremblay (Québec-Est)
Turner (Halton—Peel)	Valcourt
Vézina	Vien
Vincent	Weiner
Wenman	Wilbee
Wilson (Etobicoke Centre)	Winegard—108

NAYS

Members

Althouse	Anawak
Angus	Bellemare
Berger	Bevilacqua
Black	Blaikie
Boudria	Breaugh
Brewin	Butland
Caccia	Campbell (South West Nova)
Catterall	Comuzzi
Crawford	de Jong
Dingwall	Edmonston
Finestone	Fontana
Foster	Fulton
Gaffney	Gardiner

Gauthier
Guarnieri
Harvard
Hopkins
Jordan
Kilger (Stormont—Dundas)
Laporte
Lee
Manley
Milliken
Pagtakhan
Pickard
Prud'homme
Rompkey
Skelly (Comox—Alberni)
Tobin
Walker
Whittaker
Young (Acadie—Bathurst)

Gérin
Harb
Harvey (Edmonton East)
Hunter
Keyes
Langdon (Essex—Windsor)
Leblanc (Longueuil)
MacAulay
Marleau
Mills
Parker
Proud
Riis
Simmons
Taylor
Vanclief
Wappel
Wood
Young (Beaches—Woodbine)—64

PAIRED MEMBERS

nil/aucun

The Acting Speaker (Mr. DeBlois): I declare the motion carried.

Bill read the third time and passed.

* * *

PUBLIC SERVICE REFORM ACT

MEASURE TO ENACT

The House resumed, from Friday, November 27, consideration of the motion of Mr. Loiselle that Bill C–26, an act to amend the Public Service Employment Act, the Public Service Staff Relations Act and other acts in relation to the Public Service of Canada, be read the third time and passed.

The Acting Speaker (Mr. DeBlois): The House will now proceed to the taking of the deferred division on the motion of Mr. Loiselle for third reading of Bill C–26.

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

(Division No. 353)

YEAS

Members

Anderson
Atkinson
Bertrand
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Boyer
Browes
Cardiff
Champagne (Champlain)
Clark (Brandon—Souris)
Corbeil
Couture
Darling
Dobbie
Dorin

Andre
Beatty
Bjornson
Blais
Bosley
Bourgault
Brightwell
Cadieux
Chadwick
Chartrand
Collins
Côté
Crosbie (St. John's West)
Desjardins
Domm
Duplessis

Edwards
Fee
Ferland
Fretz
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Harvey (Chicoutimi)
Hicks
Hogue
Hudon
James
Johnson
Jourdenais
Koury
Langlois
Loiselle
MacDonald (Rosedale)
Marin
Mazankowski
McDermid
Monteith
Nicholson
O'Kurley
Porter
Redway
Reimer
Richardson
Roy-Arcelin
Scott (Hamilton—Wentworth)
Soetens
Stevenson
Thacker
Tremblay (Québec-Est)
Valcourt
Vien
Weiner
Wilbee
Winegard—107

Epp
Feltham
Fontaine
Gibeau
Greene
Halliday
Hawkes
Hockin
Holtmann
Hughes
Jelinek
Joncas
Kempling
Landry
Larrivée
Lopez
MacDougall (Timiskaming)
Martin (Lincoln)
McCreath
Mitges
Moore
Oberle
Paproski
Pronovost
Reid
Ricard
Robitaille
Schneider
Shields
Sparrow
Tardif
Thompson
Turner (Halton—Peel)
Vézina
Vincent
Wenman
Wilson (Etobicoke Centre)

NAYS

Members

Althouse
Angus
Berger
Black
Boudria
Brewin
Caccia
Catterall
Crawford
Dingwall
Finestone
Foster
Gaffney
Gauthier
Grey (Beaver River)
Harb
Harvey (Edmonton East)
Hunter
Keyes
Langdon (Essex—Windsor)
Leblanc (Longueuil)
MacAulay
Marleau
Mills
Parker
Proud
Riis
Simmons
Taylor
Vanclief
Wappel
Wood
Young (Beaches—Woodbine)—65

Anawak
Bellemare
Bevilacqua
Blaikie
Breaugh
Butland
Campbell (South West Nova)
Comuzzi
de Jong
Edmonston
Fontana
Fulton
Gardiner
Gérin
Guarnieri
Harvard
Hopkins
Jordan
Kilger (Stormont—Dundas)
Laporte
Lee
Manley
Milliken
Pagtakhan
Pickard
Prud'homme
Rompkey
Skelly (Comox—Alberni)
Tobin
Walker
Whittaker
Young (Acadie—Bathurst)

PAIRED MEMBERS

nil/aucun

The Acting Speaker (Mr. DeBlois): I declare the motion carried.

Bill read the third time and passed.

The Acting Speaker (Mr. DeBlois): It being 6.37 p.m. the House stands adjourned until 10 a.m. tomorrow, pursuant to Standing Order 24(1).

The House adjourned at 6.37 p.m.

HOUSE OF COMMONS

Tuesday, December 1, 1992

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

HEALTH AND WELFARE, SOCIAL AFFAIRS, SENIORS AND STATUS OF WOMEN

FIFTH REPORT OF STANDING COMMITTEE

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, pursuant to Standing Order 109, I have the honour to table, in both official languages, the fifth report of the Standing Committee on Health and Welfare, Social Affairs, Seniors and the Status of Women, entitled "Foetal Alcohol Syndrome: From Awareness to Prevention".

* * *

WORLD AIDS DAY

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, today is World Aids Day, an annual occasion when all countries and all the citizens of this world are asked to consider the impact of this terrible disease and co-ordinate their efforts in finding better ways to fight HIV infection and AIDS.

The World Health Organization has chosen community commitment as its theme this year, to emphasize how important it is for all communities to take action to fight AIDS, both nationally and internationally.

The HIV AIDS problem concerns health care authorities in particular. However there are also broad political, social, economic and legal implications, as well as some major consequences with respect to human rights and this applies to all countries.

According to the World Health Organization by the year 2000 as many as 40 million people will be infected by HIV and nearly 10 million people will be living with AIDS. Canada is fortunate to have certain resources and therefore has a duty to contribute to international efforts by working with other countries.

• (1010)

We have taken on that responsibility in a number of ways, in addition to our ongoing support for the WHO Global Control Program on AIDS.

Canadians have become leaders in the activities of international bodies such as the Global Control Program on AIDS and the WHO advisory council on HIV and AIDS.

[*English*]

The Canadian International Development Agency plays a key role in Canada's response to the AIDS pandemic. CIDA provides AIDS related assistance through contributions to the global program on AIDS and direct assistance to developing countries.

The International Development Research Council supports AIDS related research in developing countries. Canada also contributes to the global response to HIV AIDS through the expertise of our medical and scientific communities. One contribution that has received world-wide recognition is the development of a simple inexpensive test for the presence of HIV in infants. This test which is now used world-wide requires only a drop of dried blood to test for the presence of the virus.

Our expertise is also shared through the Laboratory Centre for Disease Control at Health and Welfare Canada which acts as a WHO collaborating centre for AIDS research.

[*Translation*]

We must not only continue to support international efforts but carry on the fight against AIDS in this country. AIDS is a preventable disease.

The national AIDS strategy will give the government and its partners the resources to continue to provide Canadians with the information they need to make healthy decisions and adopt the kind of behaviour that will protect them against HIV and AIDS and protect others as well.

We must continue activities that focus on teenagers and pursue efforts to encourage behaviour that will reduce the risk of contracting or transmitting HIV. We must continue to ensure that people who are living with HIV or AIDS can count on the support and concern of the community.

[*English*]

Canada's national AIDS strategy has emphasized the importance of partnerships and collaborative action at all levels in achieving our common aims. It has also recognized the importance of ensuring strong active communities in addressing HIV AIDS issues in Canada. The AIDS community action program of the National AIDS strategy funds community efforts in the areas of prevention, care and support.

[*Translation*]

This government has promised to renew the national AIDS strategy and I will make a public statement in this respect very shortly.

[*English*]

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, once more Canadians and citizens of the world dedicate today as World AIDS Day. It is right and proper that we make this dedication to continue to reflect on the continuing impact of this disease on people and how we can help.

In Canada alone AIDS had killed over 3,000 Canadians by early this year. One in every 10,000 Canadians is living with the disease and one in every 1,000 Canadians, that is nearly 30,000 Canadians, is infected with the virus.

Among the thousands of Canadians who have died from AIDS in the past 10 years is one man from British Columbia known as Dr. Peter. With a television camera he chronicled the courage it takes to live and die with this terminal illness, finally succumbing a few weeks ago. As television viewers we could share with him and his family the fear and horror of this disease, a scourge that is killing tens of thousands of people yearly throughout the world.

From this one Canadian we go to the dying in Africa, the epidemic proportions of the HIV infection in Asia, to the continuing tragedy in Canada or to the babies born throughout the world with HIV, with this hated virus.

The minister said: "Canada's national AIDS strategy has emphasized the importance of partnerships and collaborative action at all levels for achieving our common aims. It has also recognized the importance of ensuring strong active communities in addressing HIV AIDS issues in Canada". He also went on to say that he intended to make an announcement on renewal of the AIDS strategy soon.

I would like to remind the minister that only four months remain before the current funding commitment on the part of this government expires. The people who work for those infected and taken ill by AIDS remain in limbo. They do not know when to renew the leases on the premises they are using or what programs they have to commit to the people that they serve. Why does the minister hesitate?

I would like to remind the minister that on November 13 of this year the Canadian AIDS Society, the Canadian Association for HIV Research, the Canadian Haemophilia Society and the Canadian Public Health Association jointly brought to the attention of the minister their proposal on the need for a renewed federal commitment against AIDS.

They have asked for a commitment on the part of the government of slightly over $55 million per year for the next five years. A positive response on the part of the government to this proposal will be the ultimate test of federal leadership and commitment. It will be the ultimate measure of the government's dedication to World AIDS Day.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I too rise on this World AIDS Day to call upon the government to renew on behalf of all Canadians our commitment to fight this epidemic both in Canada and globally.

The figures on the impact of AIDS globally are staggering. Some 100,000 people a year die of AIDS, a toll which is expected to rise to over 400,000 by the end of this decade. It has been estimated that by the end of the decade some 40 million people will be living with HIV and some 10 million will be living with AIDS. Jon Gates of the Canadian Council on International Co-operation, himself a person living with AIDS, has pointed

out that this was one of the major challenges facing the global community, particularly in Africa and Asia.

In Canada over 30,000 people are living with HIV and according to the most recent figures over 4,000 people have died of AIDS. Today in art galleries, theatres and other cultural places around Canada we are commemorating a day without art to remember the tragic loss of so many cultural workers to AIDS.

We salute the families, the lovers and the friends of those who also feel the pain and helped to bear the crushing burden of this disease. We know as well that over 80 per cent of those who have died of AIDS in Canada to date have been gay men. For this reason I want to underline the importance of the unanimous recommendation of the Canadian AIDS Society, and indeed many others, to amend the Canadian Human Rights Act to prohibit discrimination based on sexual orientation so that in addition to the terrible pain of this disease the sting of discrimination does not have to be faced as well.

• (1020)

AIDS is a preventable disease and we desperately need funding to fight it. Its community organizations are on the front lines. Indeed people living with HIV and AIDS have been central in this struggle. As Don DeGagné from the Vancouver Persons with AIDS Coalition has pointed out: "We do not want to be anybody's patient or client. We have firsthand experience with cause and treatment of AIDS. We have to be involved at the highest level of research and decision making".

As the Canadian AIDS Society, the Canadian Association for HIV Research, the Canadian Public Health Association and the Canadian Haemophilia Society have all pointed out, it is long overdue for this government to renew and increase its commitment to the battle against AIDS.

We have just learned today that the numbers are significantly higher than had previously been estimated. Perhaps as many as 11,000 people are now living with AIDS. It is essential that there be adequate resources to deal with this struggle. In fact the groups that are involved in the front lines have said it will cost some $55 million per year. That is less than the cost of one helicopter.

I appeal to this government to recognize its moral responsibility, not only to those who are living with HIV and AIDS, their families and loved ones but to all Canadians and all those around the world suffering and living with AIDS. There has been too much pain and suffering.

It is time our government ensured the resources which are necessary are there. We need resources to support those who are on the front lines, in communities such as Thunder Bay, the AIDS Committee of Thunder Bay or in larger communities, *la ville de Montréal*, Vancouver, Winnipeg, Montreal and elsewhere. We must have the funds, and I appeal to this minister to not only renew but to increase the level of funding in this struggle against AIDS.

Mr. Howard Crosby (Halifax West): Mr. Speaker, I would like to have the co-operation of the House in making a brief comment which I am sure members will appreciate.

The Acting Speaker (Mr. DeBlois): Order, please. Is there unanimous consent to give the floor on this statement to the hon. member?

Some hon. members: Agreed.

Mr. Crosby: The recognition of World AIDS Day by the House of Commons provides a unique opportunity to bring to national attention a particular case of a brave couple who are suffering.

Today in the *Halifax Chronicle-Herald*, as my colleague from Halifax will have noted, there was a disclosure by Randy Conners and his wife Janet Conners that they are victims of AIDS by virtue of his use of Factor 8.

I want to call members' attention to this. By making this disclosure publicly, by focusing attention on their case, Mr. and Mrs. Conners will help us overcome any animosity or any negative attitudes among Canadian people. Mr. Conners has discovered that by the use of a drug in a very innocent way to correct a medical condition, he contracted the HIV virus that has blossomed into AIDS. His wife now has the HIV factor and they face a very difficult and uncertain future.

By sharing their difficulties with the public I know they will attract a great deal of support to the cause which hon. members have addressed today and help us overcome any difficulties that are obstacles in the way of resolution of this problem. We all ought to congratulate and honour Mr. and Mrs. Conners for their contribution to a successful campaign against AIDS.

* * *

VIOLENCE AGAINST WOMEN

NATIONAL DAY OF REMEMBRANCE AND ACTION

Hon. Mary Collins (Associate Minister of National Defence and Minister Responsible for Status of Women): Mr. Speaker, I rise today to address a solemn matter of national importance.

This Sunday, December 6, will be the second year that Canadians will observe a national day of remembrance and action on violence against women. The date marks, as colleagues know, the third anniversary of the tragic death of 14 young women at L'Ecole Polytechnique in Montreal.

This terrible event shocked Canadians so profoundly that we have been transformed by its horror. We have looked violence against women in the face and we have been confronted by our own reflection.

In declaring December 6 as a national day of remembrance and action on violence against women, Parliament challenges Canadians not only to remember but to act to prevent violence against women.

[*Translation*]

Canadian men and women realize that violence against women is not only a cause but a consequence of women's inequality. Full and complete equality cannot be achieved if women are threatened with violence every day.

[*English*]

Thankfully Canadians are also acting to end such violence by charting a course for fundamental social change, building upon the many years of efforts by women's groups across this country, operating in small towns and large cities. Not only women but men are joining in this cause to make these changes.

In the House today a number of our colleagues are wearing white ribbons as part of the second annual campaign to publicly signal the concern of men against violence against women. I congratulate the organizers of the white ribbon campaign for their courage and their dedication in helping us achieve a common goal.

I am pleased also that so many of the provincial status of women ministers that I have been working with over these years are also joining in this concerted effort. They have been making various announcements and providing additional resources for shelters and sexual assault centres and counselling.

On behalf of all Canadians, the Government of Canada has also taken action. Our focus is on the area of education and prevention, and during 1992 a number of important initiatives have been undertaken. I cite specifically the work of the Canadian Panel on Violence Against Women. That panel has travelled across the country and heard from more than 4,000 individual Canadians representing 1,500 organizations. In its progress report published in August it reported that the magnitude of violence against women across the country is even worse than we have so far documented. It also recorded the strong desire of women for prevention become a priority.

In its very work the panel itself has been a catalyst for change. It has enabled women in many small communities to speak out for the first time on violence and for the communities to start to take action to deal with that violence. I anticipate receiving the panel's national action plan early in the new year. That plan will help all governments and organizations chart our course on this very important journey toward ending violence against women.

Another very important initiative which my colleague, the Minister of National Health and Welfare, announced recently, and I had the pleasure of joining in that announcement, is the establishment of five innovative federally-funded centres of excellence dealing with family violence and violence against women. These centres, which are based in British Columbia, Manitoba, Ontario, Quebec and New Brunswick, really bring a whole new focus. They bring together front line experience with research expertise to really answer some of the underlying questions, provide support to front line workers, and contribute to enduring solutions as well.

Legislative initiatives are also important. My colleague, the Minister of Justice, has brought forward two important initiatives this year, including the passage of stricter gun control legislation, the firearms amnesty, and the new sexual assault legislation which legally defines consent in sexual relations for the first time in Canada. This legislation really is a world leader.

Perhaps the most overlooked and under-valued part of the contribution of the federal government has been the $136 million family violence initiative. Many people are not aware of the tremendous range of activities that are being conducted as a result of these efforts that support front line workers in my own province. Mosaic Success, the B.C. Association of Transition Houses, helps them work on education and prevention projects at the grass-roots level; work with immigrant and visible minority women; work to train women to actively support victims of wife assault, for example; work in a multi-disciplinary program at the Vancouver General Hospital to identify, treat, refer and provide follow up for battered women who visit the emergency department.

• (1030)

It is not only governments or organizations that can bring about the fundamental changes that are required. Individual actions by all of us are required. As the federal Minister responsible for the Status of Women I am calling on all Canadians to contribute to this change. As parents, educators, employers, community activists, and policy makers in this House each of us has both a role and a responsibility to prevent violence and change the attitudes and behaviours which give rise to the many forms of violence against women in our communities.

Let us honour the memories of all female victims of violence in Canada. Let us honour that memory by acting individually and collectively to put an end to violence against women in all its forms throughout Canadian society.

Ms. Mary Clancy (Halifax): Mr. Speaker, it is three years ago next week since a gunmen killed 14 young women at L'École Polytechnique in Montreal. We remember them, we grieve and we mourn, but most important we must maintain our anger. While it may be more comforting to dismiss this man's actions as those of a deranged individual acting at the margin of society, doing so only blurs the link between individual actions and societal values, between individual beliefs and societal responsibility.

We are angry and we must maintain that anger because three years later one in ten women is still battered by her male partner. We are angry because 40 per cent of assaulted women were beaten for the first time during their pregnancies, because one in four women will be sexually assaulted in their lifetimes, half of them before they reach the age of 17.

We are angry and we are frightened because 32 per cent of male American university students say they would rape a women if they thought they could get away with it. If the word rape is replaced with the words sexual assault the percentage increases to 50 per cent.

The daily eulogies in our newspapers are even more poignant reminders of unspeakable acts of violence. In my own province of Nova Scotia nine women have been murdered so far this year by men they once loved. Three of those women were murdered while peace bonds, unenforceable, were hanging over the heads allegedly of the men who killed them.

Violence against women in all forms, emotional and psychological abuse, sexual harassment or sexual assault, continues to be experienced daily by women precisely because for so long too few have spoken out against it.

[*Translation*]

Each one of us has a responsibility to address the issue of violence against women. We must unequivocally denounce sexual discrimination, harassment, violence and, even worse, murder.

[*English*]

Conjugal violence has been considered a domestic issue and all forms of violence against women were considered to be women's problems. This myth is not yet shattered but it must be. It is not enough only to state this; we must provide those engaged in the struggle the means to achieve this goal.

The actions we must take include the mandatory training of judges in our judicial system and a stronger enforcement of peace bonds. The actions we must take include providing money for shelters and counselling programs and harsher sentences to those convicted of violence against women.

We must end the economic discrimination which leaves many women with few or no alternatives to ending an abusive relationship. Any solution to violence against women will be as multifaceted as the problem itself. The first step is to stand up and state one's opposition to violence in all its forms. The next step is to take one's convictions and act upon them. We have heard the statements made. It is now necessary to act.

[*Translation*]

We will remember.

[*English*]

Let there be no more symbols.

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, today we stand to commemorate the lives of women and girls that have been lost to hatred and violence. We stand to remember the 14 young women whose lives were senselessly ended in a classroom in Montreal three years ago. We also remember the two women who are killed every week in Canada by their husbands or partners; over 100 each year.

I have a list of names of some of the women who were killed at the hands of those who claimed to love them. Even though it is only a partial list for this year, it is far too long to read in the short time allotted here in the House for statements on violence against women.

My emotions and the emotions of many in this House are always close to the surface at this time of year. But today I want to focus on hope for the future and hope for change. Let us imagine a world in which women and girls are safe in our homes, in our schools, on our streets and in our work places. Let us imagine that women never have to fear for their bodies or for their lives. I want to share that vision and work together for positive change.

I am pleased that the members of this House supported my private member's bill to establish December 6 as a national day of remembrance and action on violence against women. I think it is important to mention that the bill passed with unanimous consent of this House because only if we as parliamentarians and society as a whole work together to eliminate violence will we be free of it.

Last night I looked over many speeches I have made about this issue and found a litany of woe. I found horrific statistics, painful experiences and criticism of government inaction.

This year the Status of Women minister has issued a fact sheet on federal activity on violence against women. It mentions funding for shelters through the Canada Assistance Plan which has been capped and decapitated by this government for the past several years. It mentions the women's program funding that has been reduced by millions of dollars over the years. It mentions the panel on violence which is spending $11 million according to the recent government estimates. On top of the millions for this study, there are more millions for research. Yet we continue to see cutbacks in services that provide the direct assistance abused women and their children so desperately need. We have been told to expect more cutbacks this week. It is difficult to be hopeful.

The B.C. government last week announced $10 million to help eliminate violence against women. The bulk of that funding is providing much needed services across the province, including 10 new sexual assault centres and help for aboriginal communities in dealing with the pain and prevention of violence. Funding has been set aside to assist groups which face additional barriers in accessing services and problems which magnify their experience with violence, such as aboriginal women, women with disabilities, women of colour, older women, prostitutes, lesbians, poor women and women who are living in isolated areas.

Although December 6 is our national day on violence, November 25 was an international day on violence against women.

We have seen an increase in the number of refugee cases brought to our attention by women facing deportation, even though they fear for their lives as a result of military or domestic violence. Canada does not recognize persecution on the basis of sex as a valid ground for refugee status and refugee board officials are sometimes insensitive to the perspectives and lives of women.

Since September I have called on Canada to recognize and help women in fear for their lives and hold an inquiry on women and the refugee process to identify the structural problems within the refugee system.

• (1040)

Violence against women is a global problem and we must have a global outlook on the issue.

Women commit a small minority of violent crimes and yet are as likely as men to be the victims of violent crimes and more likely to be victims of sexual and spousal assault. Something must change in our society.

A few things have changed already. People are now more aware of violence. We now have ribbons and monuments and memorials, but it is time to do something beyond the symbolic. I have outlined in other speeches what individuals and groups in our society can do to reduce and eliminate violence against women. The government has heard many times what should be done, not only from me and other members in this House, but from women's organizations which have been working on this issue for over 20 years.

The hopeful part is I do believe it can be done. It will not be done tomorrow, but the wounds can heal and we can teach our children to respect each other. We can break down the inequality and racism which divides us and oppresses some of us while assigning privileges to others.

All of us have the right to be safe and have social and economic equality in our society. It is sometimes difficult to look beyond the necessary crisis management of services at the long-term solutions to violence. Changing the structures of power and inequality in our society will reduce violence. Ensuring that every child has enough food, opportunity to learn and grow and a loving home free of violence will reduce violence. Changing the definition of masculinity to include gentleness rather than power over others is essential.

These are tall orders and will come about only with hard work, commitment and a willingness to change. We must reach a stage of development world-wide in which women and men of various races and all nations look at each other as free and equal human beings and not targets or not objects of hatred and derision, not any less or any more than ourselves.

Our Parliament has declared December 6 a national day of remembrance and action on violence against women. It is a day to honour the lives of 14 young women who will never again greet a friend on a sunny day, never laugh, cry, hope to honour all the women who are killed in Canada at the hands of male violence.

We must see the action in the title of that bill. We must see concrete action by this government and action by all in society to finally end this cycle of violence. Only then will we truly honour all of the women who have died.

* * *

CANADA–JAPAN INTERPARLIAMENTARY GROUP

REPORT ON THIRD ANNUAL MEETING

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, it gives me pleasure to report on the third annual meeting of the Canada–Japan Interparliamentary Group. This interparliamentary group was formed in 1984 through the efforts of the Prime Minister and former Prime Minister Nakasone of Japan.

The organization has now completed three annual meetings whereby members of Parliament and the diet have exchanged and come to know one another. Our organization has grown like trade between Canada and Japan. Japan is now Canada's second major trading partner.

It also focuses on the changing world, the new world where growth and development are taking place throughout Asia. We have only established a Canada–Japan parliamentary association. I am pleased that former Prime Minister Nakasone is now forming an umbrella group of Asian parliaments. That umbrella group can lead us to our future and our new destiny in the Pacific.

I urge that all members of Parliament support the growth and development of interparliamentary associations in Asia. We are very proud of the work that has been done and the success of the meeting this year, made particularly successful by the hon. member for South Shore and Don Oliver, members of our organization that in fact have sponsored and taught the Japanese more about eastern Canada, moving them across the country.

I am very pleased to present this report and look to future successes of this and other Asian parliamentary organizations.

* * *

SCRUTINY OF REGULATIONS

SEVENTH REPORT OF STANDING JOINT COMMITTEE

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I have the pleasure to table today the seventh report of the Standing Joint Committee for the Scrutiny of Regulations.

Through no fault of the committee, the fourth report of the standing joint committee tabled earlier this year contained erroneous information on a financial matter relating to the central registry of divorce proceedings fees order. That erroneous information had been furnished to the committee by officials of the Department of Justice.

Following the tabling of the report, the Minister of Justice informed the committee of this fact and undertook to provide the correct information. The minister has done so and the committee is now relaying this information to the House in this report.

In closing, the report acknowledges the minister's apology for her official's failure to provide accurate information and in turn the committee expresses its regret for any inconvenience caused to both Houses of Parliament.

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

* * *

[*Translation*]

PETITIONS

PENSION INDEXING

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, pursuant to Standing Order 36, I have the honour to present a petition signed by 4,741 citizens. This petition which comes from my riding also covers the Montreal area.

This petition is from our seniors who point out that pensions should be indexed to reflect their needs adequately.

[*English*]

The general cost of living index today does not accurately reflect the true financial needs of our seniors. An overwhelming number of our seniors is living at or below the poverty level.

We ask Parliament to urge the government to re-evaluate Canadian Old Age Security pensions so they truly reflect the real needs of our Canadian seniors.

FRESH WATER EXPORTS

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is a privilege to present a petition this morning on behalf of a number of constituents and others throughout western Canada who are aware that the Mexico-U.S.-Canada trade deal does not exempt fresh water.

They are also aware that there is a present plan to divert water from the North Thompson River which is a tributary of the Fraser River system in central British Columbia in an effort to sell the fresh water in the San Diego, California area.

They point out their opposition to this and are asking the government to reintroduce legislation which was never proceeded with that would prohibit this. They are asking the government to take action immediately.

SEXUAL ORIENTATION

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I have petitions to present this morning on behalf of constituents on a number of issues.

First of all, I have a petition which is signed by residents not only of my constituency but also a number of constituencies in Ontario and Nova Scotia.

The petition notes that in March 1986 the Conservative government agreed to take whatever measures necessary to ensure that sexual orientation is a prohibited ground of discrimination within federal jurisdiction.

It also notes that the government has yet to introduce a legislative amendment to the Canadian Human Rights Act a number of years after the promise was made, despite the fact that a number of provinces have acted on

this. Indeed the Canadian Human Rights Commission has called for this action.

Therefore the petitioners call upon the government and Parliament to bring forward immediately an amendment to add sexual orientation to the Canadian Human Rights Act as a prohibited ground of discrimination.

CHRISTINE LAMONT AND DAVID SPENCER

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I have another petition which is signed by residents of British Columbia from Langley, Surrey and Kamloops and a number of residents of my constituency.

The petitioners note that two young Canadians, Christine Lamont and David Spencer, have been sentenced to 28 years each in a Brazilian prison. They have suffered miscarriages of justice, cruel and unusual treatment in Brazilian prisons and discrimination in sentencing and parole. They note that the only relief available from these severe punishments is for Canada to request expulsion in accordance with Brazilian law.

• (1050)

Therefore, the petitioners call upon Parliament to urge the Secretary of State for External Affairs to request the Government of Brazil to expel Christine Lamont and David Spencer and return them to Canada.

STEPHEN OGUNWUYI

Mr. Svend J. Robinson (Burnaby—Kingsway): My final petition, Mr. Speaker, is signed by hundreds of residents of Burnaby—Kingsway and communities throughout and even beyond British Columbia.

The petitioners point out that Stephen Ogunwuyi, a young Nigerian, was awaiting trial for having been implicated in an unsuccessful coup attempt against the unelected President of Nigeria, General Ibrahim Babangida. They note that he managed to escape from Nigeria and make his way to Canada. He has applied for refugee status. His life is at risk if he is returned to Nigeria.

Therefore the petitioners urge that the Minister of Employment and Immigration allow, on compassionate and humanitarian grounds, Stephen Ogunwuyi to remain in Canada.

THREE GORGES DAM PROJECT

Mrs. Christine Stewart (Northumberland): Mr. Speaker, I have the pleasure to offer to the House several petitions signed not only by constituents within my own riding of Northumberland but also Canadian citizens from across this country. They are very concerned about Canada's involvement in the Three Gorges Dam on China's Yangtze River.

Canada was involved in a feasibility study and the petitioners are concerned about the fact that so many people in China would be displaced if this project were to develop and the very serious environmental impacts it could have on the area.

The petitioners urge the Government of Canada to refuse to participate in or provide technical assistance, loans, grants, guarantees or subsidies in any form for any aspect of the Three Gorges Dam project from this day forward.

EXTERNAL AFFAIRS

Mrs. Christine Stewart (Northumberland): My second petition, Mr. Speaker, is from Canadians who are very concerned about the situation in Rwanda and the deterioration of human rights there.

The petitioners urge the Canadian government to apply pressure on the Rwandan regime to immediately stop killing innocent Rwandans. They urge the Canadian government to stop economic aid and other forms of assistance to the current Rwandan regime. They urge the Canadian government to support the EEC resolution on Rwanda issued on February 20, 1992 in Santa Domingo.

BILL C-86

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, pursuant to Standing Order 36 it is my pleasure and honour to present a petition.

The petitioners are residents of Canada, all law students at Osgoode Hall, and petition the House of Commons that they are concerned with many of the proposed amendments to the Immigration Act in Bill C-86.

In particular, they strongly oppose the wide powers given to immigration officers at ports of entry as well as the provisions relating to the country of first asylum which would allow newcomers to Canada to be removed from Canada without a hearing or a right to council.

Therefore the petitioners, call upon Parliament to urge the government to withdraw these amendments.

Supply

FRESH WATER EXPORTS

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I am pleased to table a petition in the House today signed by residents from British Columbia on the important question of the diversion of water to the United States.

There are two proposals that these people in British Columbia are concerned about. One is a current proposal to divert the North Thompson River into the Columbia River system for eventual piping to California. The other is the proposal from the North American Water and Power Alliance program which plans to have a conference in mid-February in California to start promoting this plan.

These British Columbians urge the government to state categorically that it will not permit our freshwater rivers to be dammed and diverted into the U.S.A. and to state that our Canadian rivers are not for sale.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I would ask that all questions be allowed to stand.

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

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—TRADE

Mr. Nelson A. Riis (Kamloops) moved:

That this House reject any North American free trade agreement.

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

Just before we commence the debate on the opposition motion, I wish to advise the House that my caucus in each of its allocated time slots will be splitting the time between two members. There will be a 10-minute speech followed by five minutes of questions and comments. Then there will be another 10-minute speech followed by five minutes of questions and comments before we rotate to the next party.

The Acting Speaker (Mr. DeBlois): I wish to inform the House that pursuant to Standing Order 33(2)(a), because of the ministerial statements Government Orders will be extended by 32 minutes beginning at one o'clock.

Mr. Riis: Mr. Speaker, the motion before the House today asking that this House reject any North American free trade agreement and on which we will have a standing vote is an effort by the New Democrats in the House of Commons to state categorically that we oppose completely, totally and unanimously the Mexico-U.S.-Canada trade deal.

This government's neo-Conservative corporate agenda which is designed to support Canada's largest corporations and the most powerful and privileged in Canadian society has obviously failed Canadians.

The most obvious reflection of that is if Canadians were asked whether their lives were better today than they were when the Progressive Conservatives assumed office in 1984, the response of 99.9 per cent of Canadians would have to be: No, my life is not better today and the future looks bleaker than ever before.

The evidence of that is woefully obvious. It is reflected in those 1.6 million unfortunate people who have lost their jobs and are desperately seeking employment today. There are the two million Canadians who are seriously underemployed and working a few days a week or a few hours a day. There are the two million Canadians who are presently living in this country below the poverty level.

We have over 6,000 bankruptcies every month, month after month after month. We have a farm and a fishing crisis and we have seen the deindustrialization of the country.

It is also reflected perhaps most aptly in the statistics that in 1980 Canada had one food bank. Today there are more than 400 active food banks in this country. This is a reflection of the ruin that this corporate agenda has brought to the people of Canada.

We have seen what the neo-Conservative corporate agenda, including deregulation has done now to the transportation industry. We have privatization and we have seen what that has brought to a whole number of sectors in terms of massive lay-offs.

The GST is ruining any hopes we had of a consumer led recovery from the recession. It has devastated the small business sector.

We have seen serious, callous, thoughtless cutbacks that have brought pain and suffering to an increasing number of Canadians. There is the erosion of the principle of universality of social programs and an extremely biased tax structure in favour of the large corporations and the wealthiest people of the country.

The cornerstone, however, to this corporate agenda, this Conservative agenda has to be the notion of free trade. It is embodied first in the Canada–U.S. trade deal and now it is embodied in the Mexico–United States–Canada trade deal.

The reality is that we have seen the reshaping of Canada as part of a continental order. There has been the turning over of everything to the marketplace where the toughest, biggest and meanest survive. There has been a shift of power from national, provincial, local and regional governments to the powerful corporations of the country.

That limits our ability as governments and as Canadians to have some say in the future of our country, to have some say over the direction of the economy. Increasingly now the decisions about the economy of Canada are being made in Chicago, Dallas, Los Angeles, New York and soon, in Mexico City, Guadalajara and the Maquiladora zones in northern Mexico.

I think this is best reflected in a number of quotes, not from the New Democrats but from others. I go back to our Prime Minister before he took office. He seemed to be speaking much more thoughtfully than he did after 1984. He said:

> Free trade with the United States would be like sleeping with an elephant. If it rolls over, you're a dead man.
>
> And I'll tell you when it's going to roll over. It's going to roll over in a time of economic depression and they're going to crank up those plants in Georgia and North Carolina and Ohio, and they're going to be shutting them down up here.

• (1100)

Up here means Canada. In other words, the Prime Minister was right on when he spoke in a very honest way to the people of Canada. He said: "Free trade as a notion means that our plants close in Canada. They reopen or expand in the United States, particularly the southern United States". Now we can take that one step further. They will be moving even farther south into Mexico.

Ronald Reagan, upon signing the free trade deal with the United States, had this to say:

> This agreement will provide enormous benefits for the United States. It will remove all Canadian tariffs, secure improved access to Canada's market for our manufacturing, agriculture, high technology and finance sectors, and give us additional access to Canada's energy supplies.

Ronald Reagan went on to congratulate our Prime Minister on the signing of this agreement for the obvious gain for the United States which he represented.

I refer to one of the major trade officials in the United States, Clayton Yeutter who had this to say:

> Canadians don't understand want they have signed. In 20 years they will be sucked into the U. S. economy.

A little closer to home, Frank Stronach, chairman of Magna International announced plans a few months ago to move his plant to Mexico. He had this to say:

> Profit means money. Money has no heart, no soul, no conscience, no homeland.

On the west coast Jimmy Pattison, Vancouver millionaire and industrialist, had this to say:

> Free trade with Mexico is coming—. We can manufacture in Mexico and ship to Vancouver, including duty and freight, cheaper than we can manufacture in Vancouver.

He went on to say that he planned to move operations to Mexico.

It is obvious what is going on. This government has decided to deindustrialize our country. This government has decided to integrate us into an economy where we will attempt to harmonize our regulations, laws and standards with those of the United States and now with those of Mexico.

On behalf of the New Democrats in the House of Commons, we abhor the process now under way in terms of dealing with this very critical piece of legislation, the economic constitution of this country, which will determine for generations the laws and regulations in terms of the basis of our trade.

This government has allowed five hearings in Canada. There have been no hearings in Toronto, the industrial heartland of the country, no hearings in the province of Saskatchewan and no hearings in the north. Five hearings to allow public input on the most important trade deal this country has ever faced is unconscionable. It is something that as New Democrats we think is completely inappropriate. As a result we will be conducting our own public input sessions across the country in the days and weeks ahead.

I want to mention two things. As we attempt to harmonize our situation with Mexico, let us recognize that we will now be seeing increased pressure for our men and women to approximate wages and conditions found in Mexico; to be more specific, in the Maquiladora zones.

I quote from an excellent publication entitled *Take Back the Nation*: "The Maquiladora workers, two-thirds of them are women, have been described as unspoiled labour. Companies hire and fire at will and weed out unproductive or troublesome workers. Women are routinely dismissed when they become pregnant. The burn-out rate is five to ten years and very few last past the age of 25. Help wanted signs are everywhere. It is not uncommon for a facility to see its entire work force turn over in a year".

It goes on to say: "Low wages would not attract the world's national corporations to the Mexican Maquiladora area but because companies are able to bring with them sophisticated industrial processes and equipment, workers are turning out quality goods and high levels of productivity. The traditional sweat shops still exist but modern efficient plants are increasingly the norm". Business guru and Claremount University professor Peter Drucker says: "It takes three years at the most for Maquiladora zone plants to attain the labour productivity of a well run U.S. or Japanese plant even turning out highly sophisticated products. The gains to the corporations from this high productivity at low wages are dramatic". We are not talking about simple labour here. We are talking about sophisticated plants that can compete anywhere.

In closing I simply want to say that this is a dastardly trade deal.

This goes against everything we believe in terms of the Canadian economy and hope for the future, particularly as it deals with fresh water. Fresh water was not exempted from the Mexico-U.S.-Canada trade deal. Other areas were explicitly exempted. This means we are now agreeing as a country, or our government is agreeing on our behalf, to sell fresh water to the United States and Mexico. This is something Canadians have indicated very clearly they cannot and will never accept.

Some hon. members: Hear, hear.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I congratulate the hon. member for Kamloops on his opening salvo in this very important opposition motion today. I want to ask the member a question about something he has had some experience with. It relates to the closing comments in his speech and the whole question of water under the North American free trade agreement.

The member knows there is a current proposal on the North Thompson River in his riding, and it touches mine, to divert water into the Columbia River system for eventual export into California. The headlines in the morning newspapers from the trade hearings in Vancouver indicated that a witness appeared there and pursued the whole question of water under the North American free trade agreement.

I would ask the member to expand a bit if he could in terms of the question of water under the North American free trade agreement. In the previous House prior to the 1988 election the government was under a great deal of pressure during the Canada-U.S. Free Trade Agreement negotiations. It introduced but never passed, perhaps purposely, legislation to make very clear the question of water exports from Canada. I believe it was Bill C-156. I would ask the member what his views are on that legislation.

Mr. Riis: Mr. Speaker, I appreciate my colleague's questions.

All Canadians were rather astonished when the government introduced at first reading only the Canadian Water Preservation Act. If that act had passed Parliament it would have at least sent a very clear signal that we were concerned about the future of our fresh water. Hopefully it would have prohibited very explicitly any sales to the United States other than bottled water and so on.

However the government did not proceed with legislation. In other words, it created a phoney war. It introduced the legislation but did not proceed with it even to second reading and committee stages. That gave us the first clue.

The second one was the fact that while we had a memorandum of understanding with the United States regarding softwood lumber we did not have one regarding water. There was a lot of pressure for the government to have a memorandum of understanding with the United States which would specifically limit the provision of the FTA to bottled water only. But that did not happen.

Now, after the negotiations have been concluded with the Mexico–U.S.–Canada trade deal, we notice that in the tariffs there are long lists of exemptions: school buses, all sorts of bits of machinery, all different sectors like cultural industries and some medical services. They are very explicit and do not apply to the provisions of the Mexico–Canada–U.S. trade agreement.

We wonder why water was not exempted. It was obvious the government was prepared to exempt a number of items but water was never clearly exempted. For that reason we are very suspect. While saying one thing the government has actually initialled an agreement that will result in something quite different, that is the ability of entrepreneurs to sell Canadian water to the United States or to Mexico.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I point out something my hon. friend has just said which is quite contrary to the truth.

Like the FTA, NAFTA will have implementing legislation to underscore the government's policy on water diversions or exports. He knows perfectly well that the policy of this government has been stated and reaffirmed in the FTA legislation. Water diversions or large water exports are simply not acceptable under the FTA. That is very clear.

• (1110)

My hon. friend said that NAFTA, and FTA presumably as well, goes against everything the NDP stands for. Yet we have seen under the free trade agreement with the United States an increase in manufacturing products, an increase in value added products, precisely the sorts of things I thought the NDP stood for. The NDP is calling for increases in the amount of value added we do within Canada. That is precisely what the FTA has encouraged. The tariffs on those products in the United States have gone down, providing Canadian products with greater access and a preference in comparison with other countries exporting into the United States. This has resulted in a clear increase in the amount of export activity, up 10.5 per cent in the first nine months of this year.

I should also point out that *The Globe and Mail* of last Saturday indicated that the share of manufacturing goods going to export markets has doubled from 40 per cent to more than 80 per cent, clearly a fulfilment of an objective I thought was one of the NDP policy approaches. It is something we cannot just wish for. We have to put in place the policy environment to allow that to happen. That is precisely what the FTA and now the NAFTA will do. Could my hon. friend comment on that?

Mr. Riis: Mr. Speaker, to take the first point my hon. friend raised, he said we should have faith and trust the government when it says Canadian water is not for sale. He did not refer to the provisions in the text that would protect water.

This is the same government that said our social programs were a sacred trust and dismantled a number of programs: family allowance, pensions and so on. This is also the government that said it would never sell Air Canada and we know that Air Canada was sold. In other words, to ask Canadians to trust this government when it says it is going to do something is asking a little too much, to be fair to my hon. friend.

My hon. friend also said that enabling legislation would include comments regarding water exports. He knows full well, as does everyone else, that the international trade deal we will enter into, if it passes, will take precedence over legislation at a provincial or federal level.

I will provide an opportunity later to my hon. friend, particularly when we get to Question Period, to point out explicitly—I guess this is a notification of what is to come—that water is exempt from the trade deal, which he has said to me on a number of occasions. I will provide him with an opportunity during Question Period today so he can be very explicit to point out those sections of the Mexico–Canada trade deal that say water is exempt. He will not find them in there and he knows that.

The latter part of his question refers to what he says is increased trade with the United States. He knows full well that over all the United States wanted access to our raw materials and our resources and it has received it. If he looked at the increase in trade prior to the FTA and afterwards, he would know that things were healthier prior to the signing of the FTA.

He would also know that the FTA has been at a tremendous cost to Canadians. Literally tens of thousands of jobs—we could say hundreds of thousands of jobs with no exaggeration—have been lost in this country permanently. Men and women who at one time had decent incomes at $15 or $17 an hour to raise their families and provide for economic growth in the country are now selling hamburgers at McDonald's for $5.50 an hour. That is the kind of economy we have moved toward.

We in this party oppose that approach. It has failed us by all accounts. We want nothing to do with the notion of turning over everything in our country to the free market, which is a nice way of saying turning over everything in this country to the law of the jungle.

The Acting Speaker (Mr. DeBlois): I took for granted that hon. members gave unanimous consent to extend that five-minute questions and comments period.

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, the resolution reads:

> That the House reject any North American free trade agreement.

We have to admit that we had some difficulty with the wording of the agreement. We know where the government side is going.

It is good to see the minister here. We know his course; we know the direction they have set. However, we are a little concerned about the Official Opposition. We are not sure if it is going to be on side with this or not. We have used the word reject because we cannot abrogate the North American free trade agreement, as it is not yet signed.

It will be interesting to see where the Liberals vote on this particular resolution. We have used a euphemism for abrogation and we are going to say reject. The Liberals might be able to weasel out of this one as they have been doing for quite a while and go on both sides.

Mr. Wilson (Etobicoke Centre): Where is Lloyd?

Mr. Butland: I know there is considerable dissension among the Liberal ranks as to whether or not they are in favour of a free trade agreement or a North American free trade agreement. Once again we have allowed them an out with this motion before the House.

I turn directly to the free trade and North American free trade agreements. I suggest this is no longer a trade deal. These are deals about sovereignty. These are deals about our water and energy supplies and the control of our own economic determination.

We say that the free trade and North American free trade agreements are so interrelated, to suggest that you can renegotiate free trade is incredulous, incredible and ridiculous. The North American free trade agreement is the renegotiation of the free trade agreement. I suspect the Liberals are saying now they have to re-renegotiate the original agreement.

The Americans would not, have not, and will not accept any negotiation of a free trade agreement because they said they are well off with this agreement. They would not even consider it. Let us be realists and say abrogation is the word. However we are into the North American free trade agreement.

What was it to buy us? Again I have to talk about free trade because of the inter-relationship. It was going to buy us access to the American market. Certainly in my riding steel rulings have always gone against the Canadian steel industry and I have belaboured that point. Things have not changed.

Have the rules of the game changed? Gordon Ritchie, the deputy negotiator under the free trade agreement who testified at the trade committee just last week said we were duped. We were duped the first time around and nothing has changed. I want to quote directly from Mr. Ritchie's remarks: "These changes reflect a considerable negotiating triumph for the American team that has obtained some but not all of their objections (thank God not all of them) but they out-negotiated us the first time around and we benefit not at all from the negotiation of the North American free trade agreement".

"On the central issue of disciplines on unilateral application of American fair trade laws, the NAFTA reflects the American negotiating agenda, not Canadian objectives". This is the negotiator for Canada. "The permanence of the new system and the guarantees of compliance are illusory. The FTA regime for unfair trade disputes has clearly not been strengthened and arguably

may have been weakened by North American free trade".

The rules of the game have not been changed. The panel decisions, games and rules by which they come up with dispute settlement decisions have not changed. These are not sandbox games; these are trade games.

The Americans say they want to take their products and go home and we cannot participate in this game with them. It is most unfortunate and most damning when a negotiator on the Canadian side says we lost. We lost two times around.

I want to talk about the environment just for a few moments. First of all, President-elect Clinton says he wants to have some side agreements on labour adjustment and environment, for instance. Our government has said nothing. It is silent on that issue. Should we not get involved with the president-elect and say: "We are with you". At the very least, if we are not going to reject the agreement, let us start processing some side deals. The environmental laws in Mexico are the most stringent in the world but no one is there to monitor or regulate them.

• (1120)

I have before me a report from the Texas department of health with technical assistance from the Center for Disease Control. It is from Cameron county, Texas which is on the border of Brownsville and Matamoros. The report talks about the prevalence of birth defects beyond the wildest expectations of any area, let alone in the Maquiladora zone.

I was at an environment conference in Monteray, Mexico and the government official from Mexico said: "The environment is the business of the entrepreneur, it is not the business of government". However last week I heard the president of a multinational corporation say: "Environment is not our business, it is the business of government". Government says business is responsible and business says it is government. Who is in control? Who is going to look after the environment in Mexico?

Here is the package. I would ask the minister to take a look at it because this is proof that the environment of Mexico and the United States is at risk and as a result the standards of Canada will be downgraded.

The member for Kamloops talked about input from Canadians and I think it bears repeating that there will be no hearings in Toronto, the manufacturing heartland of the province of Ontario. It has been decimated.

An hon. member: They are afraid of it.

Mr. Butland: Exactly. They are afraid of it. Parts I, II and III of the documents are not available. I just brought along Part II. We as MPs had to deliver copies of the agreement to the libraries in our cities so if Canadians wanted to read them they could. There are some diskettes out there, so if you have your computers, you can pick them up or worse still you can call Washington, D.C., because they have extra copies. I am assuming that the minister has looked after this shortfall of documents.

It is difficult reading; it is drudgery. In particular I have taken the time to read over and over again Institutional Arrangements and Dispute Settlement Procedures. It is an exercise in futility. It is an exercise in conditionals. The parties should get together once a year and if they can come to some consensus, they shall at times endeavour to agree on the interpretation and application of this agreement. They should try, they should endeavour. It goes on for about 10 pages. The time limits of free trade are of no concern to Americans. They disregard the time frames.

We urge the other two parties to reject any North American free trade agreement. We would like to be able to say in the same resolution that we ask the other two parties to abrogate the present free trade agreement. Why we are asking them to do this is very simple. It is because Canadians are saying: abrogate, reject. That is what Canadians are telling us to do, not the New Democratic Party. At the behest of the Canadian citizens let us reject.

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Mr. Speaker, so far we have heard two speakers from the NDP. They have not brought much new to the debate. All we have heard so far is rhetoric about rejecting both the free trade and the NAFTA.

I would like to ask my colleague from Sault Ste. Marie a question. He requests that this House vote to reject both agreements. How can he explain why we should vote on the NDP motion when between 1988 and 1991 there was a substantial increase in Canada's merchandise exports to the United States? Records show that in 1992 we will do even better.

We are reaching all-time records of exports with the United States. Figures show that for the first three quarters in 1992 our exports to the United States are up by close to $90 billion.

I would like to ask my friend from Sault Ste. Marie why and on what basis he is requesting the members to vote against the trade agreement that we have concluded with the United States and Mexico, while statistics and figures show that we are increasing our exports to the United States and that Mexico offers great opportunity for our manufacturing sector to increase our exports to Mexico? In light of those statistics, on what basis is he asking us to reject the trade agreement?

Mr. Butland: Mr. Speaker, it is a reasonable question from a reasonable member, so I am happy to attempt to answer it.

The government keeps referring to these statistics. Of course we all know that statistics can be used to its own advantage and I will come back to the statistics in a moment.

The reality is that Ontario has been deindustrialized. I am sure the member would concur with that. In Ontario we have lost these manufacturing jobs. Just recently in Orillia and Penetanguishene people have said: "We are going to Mexico". Do you know the reason, Mr. Speaker? Because the wages are lower. They are unrestricted now. They are coming out and saying it. For a while they would say there are all sorts of reasons but now they say labour costs are lower.

The problem with this and the statistics he indicated, as the member from Kamloops pointed out, is that there is no doubt our exports to the United States have increased, but they also increased before 1988. They probably increased in 1982. There is no change. I believe statistics would show that the percentage of increase has decreased. Also statistics show, which the member did not point out, we have become totally dependent on the United States and our exports to Japan and Europe have decreased substantially.

There is no doubt that our exports are going to increase, but there are several giants left and all those little folks have been eaten up.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I could not let the member's statement toward business go on the floor unchallenged. He said and business is not concerned about the environment and it is not its business. He made those remarks during his speech. He should be very careful because right now there are thousands and thousands of small, medium sized and large businesses in this country that are working on environmental review systems within their corporate charters.

That kind of blanket statement causes concern with the business community. Businesses are all of a sudden taking a very intense interest in environmental concerns and we should not be knocking them in this House. We should be encouraging them.

Mr. Butland: Mr. Speaker, the member took my quotation totally out of context and put a completely different slant on the whole thing.

I did not criticize business at all. I took up one indication that in Mexico the government said the environment is the job of business. The entrepreneurial spirit will look after the environment.

• (1130)

One chief administrator of one multinational company said it is not their job; it is the job of the government. What the member has done is totally misconstrued and I think he does this regularly in the House.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I listened to the two speakers from the New Democratic Party and there is a certain aura of unreality about the rhetoric they fly around.

I asked a question of the member for Kamloops. My colleague asked a question of the member for Sault Ste. Marie about these record exports. Let us get it on the record again. We have seen an increase in exports to the United States of some $18 billion since the start of the FTA.

In the first nine months of this year compared with the first nine months of last year, there has been an increase in exports to the United States of 10.5 per cent; a new record practically every month. On our surplus of trade, we sell more goods and services to it than it sells to us and that surplus has gone up during the same period of time.

We have increased our share of exports to the United States compared with Japan, Germany or the United Kingdom as well as other countries. We ask these direct questions to the New Democratic members and they totally disregard them. They throw some rhetoric at us saying we can play games with statistics. We are not playing games with statistics. We are reporting directly what Statistics Canada has reported month by month since the free trade agreement has come in.

There is a recent study by the C. D. Howe Institute which showed very clearly that exports have increased in most of those sectors that were liberalized by the FTA. In other words, the FTA has provided the access and the preference because our tariffs have gone down on exports to the United States and that has created opportunities for Canadian companies.

They have taken advantage of them and translated them into business as well as jobs back here in Canada. There is a University of Toronto study that said very clearly the FTA has moderated the impact of the global recession we have been a part of here in Canada. It has moderated the impact, and I underscore those points. It has contributed to Canada's economic growth during this period.

The New Democratic Party says we should scrap the FTA, scrap NAFTA, get rid of them all. What have we heard from it as a replacement? What are the alternatives? I did not hear any alternatives from the two lead speakers of the New Democratic Party. They do not have an alternative here. They are flailing away with their high blown rhetoric, saying the FTA is bad. However, when they look at the statistics they walk away from them.

An hon. member: Do not confuse the facts.

Mr. Wilson (Etobicoke Centre): Do not confuse the issue with the facts.

Let us look at the results here. Concerning exports to the United States, our trade surplus has gone up. During that time our exports have gone up. The Canadian Manufacturers' Association did a survey that was released in June 1992. It concluded that Canada's export industry has prospered since the FTA. There is a DRI Research Institute study that indicated 97 out of 108 Canadian industries surveyed either gained or maintained their U.S. market share.

More than half said they had not lost market share in Canada. This is not a government survey. This is a private sector survey of 99 commodity categories tracked by Statistics Canada. Exports increased in 60 of those. There are a number of success stories in high value-added products.

Telecommunications and related equipment exports to the United States are up 151 per cent. Office machines and equipment exports are up 50 per cent. Electrical machinery exports are up 74 per cent and railway equipment exports are up 126 per cent. Aircraft and spacecraft exports are up 77 per cent. Optical equipment is up 14 per cent. Tools and implements are up 39 per cent. Pharmaceuticals are up 90 per cent. Wool, a market that people said would get killed, is up 66 per cent. Tanning extracts are up by 103 per cent and so on.

There is a whole list of successes by Canadian companies in the free trade agreement.

Let me quote some studies here. I referred to the C. D. Howe study a minute ago: "Canadian exports to the United States have risen most sharply in high-end manufacturing products and in services. These broad trends are inconsistent with detractors' predictions of the FTA's impact on the Canadian economy. They do, however, fit the scenario of longer term gains to Canada put forward by the supporters".

This is not a government study. This is the C. D. Howe Institute study and it draws on experts from across the country when it comes to these conclusions.

Let me further quote from this: "In areas where they have secured better access to the United States' market, Canadian firms have been able to sustain large gains in a number of sectors", and I have just indicated a number of those successes. "It is unfortunate that this crucial information about the gains from free trade remain essentially untold". That is why a debate like this is important, and I thank the NDP for putting the motion on the floor so we can have this debate.

Let me give one example that makes it very clear exactly how companies benefit from this. Babcock & Wilcox, a company in Cambridge, Ontario that makes steam generating equipment, invited me to an announcement at which it announced $250 million worth of orders from two United States electrical utilities. To put that into context, its total sales for a year are in the order of $250 million. It is very important business for them. It has never before been very successful in the American market. I asked it what the secret was. It replied that in 1988 the tariff was 6.5 per cent; in 1993 it will be zero. It is now on a level playing field. It has the work force, the technology and the access to markets now. It can compete and is now showing it can compete with these orders.

There are other success stories like this. I was at an office furniture show last weekend and I asked people as I walked around and met the different exhibitors from Canada what their exports to the United States were. They said 65 per cent of their business, 70 per cent and 75 per cent.

This is why it is so important we have this access to the United States market. It gives these companies the ability to turn those opportunities into business here in Canada and create jobs here.

People have commented about investment. What has happened to investment? Here again the detractors said that investment in Canada is going to go right through the floor if we have a free trade agreement. Again let us look at the facts.

The cumulative net foreign direct investment into Canada in the period 1989 to 1991 totalled $15.1 billion, an average of $5.3 billion. That compares with the previous three years' average of $3.5 billion. In 1991 it was $5.9 billion. This sharp increase in this type of investment shows me two things: first, that Canadian companies are investing and restructuring so they can take advantage of the opportunities there; second, that people outside of this country have confidence that Canada continues to be a good place to do business, a good place to invest.

The CMA, the Canadian Manufacturers' Association, did a survey of 325 companies earlier this year and found that nearly half the companies said they increased their capital investments in Canada after the FTA was implemented. Only 9 per cent reduced their investments.

This indicates very clearly that the FTA has helped the Canadian economy.

Let me quote from the Canada West Foundation: "The rationale to locate investment in Canada for cost and access considerations in serving the North American market has now improved as a result of the free trade agreement".

There is a new study done by KPMG Peat, Marwick. It suggests that the free trade deal helped prompt Canadian firms to cut back on investing in the United States and put more of their dollars into Canada".

Members opposite probably saw my picture in the *Financial Post* the other day eating potato chips. Why was I eating potato chips? First of all, they were not potato chips, they were sun chips. This is a new product of Hostess Frito-Lay that has created 60 jobs in Cambridge, Ontario. It has access to the United States market through the free trade agreement and for every one per cent that the tariff drops—and its tariff was 10 per cent—it increases its market, the radius it can serve, by 100 miles. That has now given it the mandate to serve the Canadian market as well as the northeastern United States.

• (1140)

We have had some reference in the debate here to the dispute settlement system. The NDP would reject this. That is a pretty sweeping statement for it to make because I do not think it has thought about what its constituents would say about that because periodic disputes are inevitable in a trade relationship of some $250 billion a year. What is needed is a way of resolving these disputes and we have seen in the free trade agreement the panels are acting in a very expeditious way about half the time that it takes to get these resolved under the GATT.

It results in a final decision and let us look at some of the wins we have had. The red raspberry market is not a big one for most people but for the red raspberry farmers it is very important. The panel ordered the U.S. agency to recalculate the dumping duties. Non-mortgage interest is a very important win for us to help particularly the automotive sector. On live swine, the panel found that the Canadian national tripartite stabilization program

was not a countervailable subsidy. What happened? Some $10 million went back to the Canadian exporters.

It was the same thing in pork, and that was upheld by an extraordinary challenge. It resulted in $20 million back to the Canadian exporters.

I ask my friends from the NDP what they are saying to the live swine farmers, the red raspberry farmers, the pork producers who now have $20 million and $18 in their pockets which, without the free trade agreement, they would still be paying.

Let us look at some quotes here again. "The mechanism has created a system allowing for a more conciliatory, equitable, orderly and rapid resolution of disputes", said the Royal Bank in February of a year ago. It continued: "The mechanism goes considerably beyond the powers of dispute resolution in the GATT", considerably beyond the GATT. I stress that point to my friends from the New Democratic Party.

It went on to say it is superior to the GATT because it has a fixed timetable. It has increased the objectivity and conciliatory nature of the decision-making process and the decisions are binding. Countries cannot walk away from those decisions.

Have we something special that others do not have? Let me quote again from Gary Horlick, an American reporting on the FTA and GATT settlement procedures, from "The Litigant's View":

> (Chapter 19 panels) are in agreement by the United States and Canada to have binding binational panel review administrative decisions in the two countries. This is a very unusual thing for the United States government to agree to. Chapter 19 is considered a huge success.

Is this a Canadian speaking? This is an American speaking, looking objectively at the way the dispute settlement system has served both countries.

He goes on to say the FTA panels' admirable performance makes them a model for other types of dispute resolution. It will be a model because there are going to be elements of this dispute settlement mechanism which, if we are successful with the Uruguay round of the GATT, will be adopted in a number of ways in the GATT.

Let me give another example. This is a report from Peter Morici entitled "A new Special Relationship—Free Trade and the U.S. Canada Economic Relations in the 1990s": "The benefits of the FTA reach much further than removing existing barriers and avoiding new barriers to trade and investment. It establishes processes", the dispute settlement mechanism, "and a context for better management of the U.S.-Canada relationship".

We have seen how tariffs have come down and how that has benefited Canadian companies. Let us look at what the free trade agreement including the Mexicans would do because this is what the NDP wants to throw away. It wants to throw away all the benefits I referred to in the free trade agreement with the United States and then its says rip up the NAFTA before it is even settled, before we have even signed the agreement.

What does the NAFTA do? First of all, let me make the fundamental point that any time there is an opportunity for Canada to get good access to another market, a growing market, this government is going to be at the table looking after Canadian interests, looking at possibilities and opportunities for us to spread the markets for Canadian exporters.

My friends say we are getting too strong a relationship with the United States. Fine, then why not broaden the relationship to Mexico? Why not expand our access into the fastest growing market on the North American continent: Mexico? What they are asking of the House today is completely illogical. We are doing something here to try to spread our markets better, not focus them totally on the United States, as they are concerned about, and they tell us to reject the agreement and rip it up.

They are sitting on the sidelines and not accepting this with a market of 87 million people, a fast growing market, with a significant middle income market of some 20 million to 25 million people. The opposition says to reject that too. A market of 20 million to 25 million people is a good sized market in the context of the Canadian economy.

We are not going to sit on the sidelines and be spectators. We are going to be in there mixing it up with our trade partners, trying to get better access for Canadian companies into the United States and Mexican markets and other markets where we can get that opportunity.

Duties are going to come down. Mexican duties on average are 10.5 per cent and some go as high as 20 per cent. We are going to get those down to 0 per cent in 10 years and some of them immediately. Those immediate reductions open up opportunities on January 1, 1994.

Let me give you some examples. Mexican tariffs on passenger cars and light trucks are reduced by 50 per cent immediately and the remaining duties are phased out over five years for cars and 10 years for trucks.

We have a booklet which gives Canadian companies an opportunity to learn how they can get into the Mexican market to their benefit.

I want to just draw people's attention to these figures taken from Statistics Canada. On motor vehicle parts, our exports to Mexico in 1990 were $82 million and $153 million in 1991. In 1991 the first half to 1992 first half, again they doubled. Therefore we can compete in that market and that is against high tariffs, import duties and managed trade.

It is one-way free trade because Mexican auto production can come into Canada almost duty free. Of Mexico's imports into Canada last year, 86 per cent were duty free. Therefore we are opening up this market. We are opening it up for exporters. There is much improved access as far as investors are concerned.

In the face of the benefits we gain from this our detractors have said: "Yes, but you are not going to be able to protect some of the important things that you gained in the free trade agreement with the United States".

Here again we did. We got the continuation of the auto pact and the continuation of the exemption, I would argue a strengthening of the exemption for cultural industries. Canadian social services and health services are protected. Our high health safety and environmental standards and our protection against water exports have been retained.

There are the improvements in intellectual property rules, clear North American content rules which are very important for the automotive industry, greater disciplines on energy regulators and improved dispute settlement processes. We have maintained and I would say enhanced our access to investment dollars in Canada.

In closing I want to just draw—

Mr. Boudria: Oh, so soon?

Mr. Wilson (Etobicoke Centre): By unanimous consent, Mr. Speaker, I would be happy to continue, but I am not sure that the hon. members opposite can take all this good news.

Members of the NDP say they would scrap the free trade agreement with the United States. They are going to say we want to hide from the rest of the world and go back to those comfortable days of the 1960s and 1970s. Well it is folly to expect that can ever happen. The world is changing and it is changing fast. It is not going to wait for Canada to get on the bandwagon.

Government policy on this side of the House has said we have to recognize that reality. The policies we have brought in since 1984 have done precisely that. They have recognized change and tried to put the Canadian economy, Canadian individuals and Canadian companies in a position to be able to adapt and adjust to that change.

• (1150)

Members of the NDP say: "Let us go back to the 1960s because it was nice then". We cannot do that and NDP members owe the Canadian people an explanation as to why they want to go back to the 1960s and whether they can go back to the 1960s and what their alternatives would be. How would they manage the economy? How would they encourage Canadian companies and individuals to move into the real world of the 1990s and beyond and help the Canadian economy in that way?

Mr. John Manley (Ottawa South): I would like to raise two issues with the minister with respect to the negotiating position taken by his government in the context of the NAFTA talks.

The first issue is with respect to dispute settlement which he talked about with obvious pride and the fact that under the FTA there is a dispute settlement mechanism which has resulted in a number of highly publicized decisions in favour of Canada. What that of course points out is that the United States has continually and consistently used its trade law as a weapon against Canadian exports to the United States, most times unfairly, which is why the trade panels have been deciding in Canada's favour.

Given the fact that the dispute settlement mechanism is really the only defence we have against these unfair practices in the U.S., why have the NAFTA negotiators agreed that technical changes in the dispute settlement mechanism increase the likelihood of the United States

challenging decisions by the panels? Why at least did the government of Canada not stand firm to protect what we did have out of dispute settlement, acknowledging even that it falls well short of stopping U.S. subsidies for production within the United States for its domestic consumption, which is a major barrier to Canadian exports to the United States?

The second issue is that back in March I asked the minister about the U.S. Jones Act and its protection for service in the maritime sector in the United States. He said: "One of our objectives is to break open the Jones Act. That is one of the key objectives of the policy".

If the government failed to get one of the key objectives of its negotiating policy, why is the government not still at the table demanding protection for the dispute settlement mechanism and breaking open the Jones Act?

We are giving up our surface transportation to the United States. At least we should get access to the maritime transportation system.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, let me caution my hon. friend that trade disputes are not all one way. I have mentioned the ones we have won because the NDP has a responsibility to those people who have been participants in winning disputes to explain to them why it would scrap the agreement.

We have lost some too. It has not been a two-way street. My hon. friend asked: "Why were we not negotiating harder?" We have a good dispute settlement mechanism. I am just interpreting what my hon. friend had to say and he can correct me if I am wrong, but he said that he would like to have a greater discipline of subsidy. Fortunately that will be there in a Uruguay round settlement. I hope we will be able to report positively on that as we go through the final stages of the negotiations there.

The United States was very clear. It said it wanted to negotiate the definition of subsidy in a broader way involving all the major trading partners it has to ensure that the best possible agreement is obtained. We have agreed to that approach because it is in our interest as well to have the best possible agreement.

That is possible with the critical mass of the GATT negotiation in a way that is not possible when there are only three countries involved in the negotiation.

We tried to break open the Jones Act and get access for our shippers into the United States but we were unsuccessful.

My hon. friend says we have failed. People on the other side are saying the Americans have failed because we maintained our cultural exemption. People in the United States are saying the U.S. negotiators failed because we retained the auto pact. We retained the right by Investment Canada to screen large investments. That is part of negotiations. These were important to us. We were not going to give on those. I do not know what their strategy was but maybe the Americans said: "If we are not going to get access to the Canadian market in those areas we are interested in, we are not going to give on the Jones Act either". That is part of negotiations.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I appreciate the opportunity to comment and question the minister. We cannot let him get away with making some of the comments he has made about where the trade strategy is from the New Democrats. Here is where it is.

It is a trade strategy involving economic development and jobs. Our leader is consulting with Canadians across the country on a trade paper, the Canadian trade and investment act which we propose. At the very least it is quite unlike my friends in the Liberal Party who presented no alternative to the GST when it was brought in by this government and present no alternative now but to saddle up with the Tories on this whole free trade deal. The alternative is there. It will be a very clear choice for Canadians in the next election campaign.

My first question to the minister is on softwood lumber. This is important and relates to our debate today. We heard in evidence at the trade committee that the North American free trade agreement is of no advantage and of no gain, given the current dispute panel that is hearing the softwood issue. In fact one of the panels has collapsed due to a conflict of interest. At least as of this morning I am aware of no date that has been set for its commencement. It again pushes the resolution of this issue ahead.

The evidence was that regardless of how weak those panels are, the Americans will likely challenge us further. That point was made by another member in this House. I ask the minister to assure this House that he still has a united front from all Canadian provinces in fighting this softwood dispute with Washington, D.C. and that he will meet shortly with the trade minister from British Columbia on this very point. I believe an assurance to the House in that regard would certainly be helpful.

I differ with the minister on his suggestion that our governments back down on the description of subsidy and countervail as a positive note. I have letters on file from this minister praising the five to seven-year process. We have lost that. NAFTA is a step back for those provinces which rely on our trade and export with the United States to define that countervail and dispute settlement process. It is a step back and it is going to hurt provinces like British Columbia.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, I am delighted to hear that the New Democratic Party is consulting to try to develop a trade policy. Where has it been since 1987? All it has been saying is: "We are against it. We are against it. We are against it". Now it is going through this little charade sending people around the country and calling it consulting. I hope this time it comes up with a trade policy that looks forward into the 1990s and the year 2000 and beyond and not try to slide back into the 1960s and 1970s.

I agree with what the NDP says about the Liberal Party. The Liberal Party is trying to ride two horses. That is clear. It does not know which way it wants to go. I will not mention those members but they are in the House today and they want to have greater liberalization of trade. Others, I think, are probably more in the camp of the New Democratic Party and, quite frankly, are not sure which way they want to go.

• (1200)

My friend is quite aware of the position we have taken on softwood lumber with the encouragement of the provinces including the province of British Columbia. We terminated the Memorandum of Understanding on softwood lumber and since then we have been fighting the Americans on a resolution of this dispute.

Let me remind my hon. friend that in 1986, the last time there was a dispute on softwood lumber, there was no provision to take that decision to a panel to get that dispute resolved. Now, with the free trade agreement with the United States, we do have that panel. What does the NDP want to do? It wants to scrap the panel so we can keep this dispute going on for ever and ever; make sure there is a continuation of uncertainty that the lumber industry in B.C. has to operate under, make sure that we pay thousands and millions of dollars to the lawyers as the dispute continues because we do not want to have a dispute settlement mechanism, we do not want to have a free trade agreement. Let us scrap it all. The NDP owes an explanation of its position to the B.C. forest products industry.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker I am puzzled by the motion presented to us today by the NDP.

I am puzzled for two reasons. First of all, the NDP has repeatedly said here and elsewhere that it is eager to see the sub-committee on trade hold meetings across Canada to hear the views of Canadians on the proposed North American free trade agreement.

Those hearings have begun. They are underway now. They are being conducted in five major urban centres across our country and those who wish to appear from Montreal and Toronto are being invited to appear before the committee here in Ottawa.

Having said that the NDP wanted these hearings, in the very midst of the hearings not yet two weeks old it tells us it is not interested in what Canadians have to say about the North American free trade agreement. It presents a resolution today, and this is my second source of bafflement, that says it would scrap any North American free trade agreement, any North American free trade agreement. What the public has to say is obviously of no interest to the NDP. The NDP has made up its mind. It knows what it wants to do. It is going to reject, scrap, tear up any—not just this proposed—North American free trade agreement.

So much for the NDP's repeated statement that it wanted to hear what Canadians had to say about the North American free trade agreement.

Mr. Gardiner: Mr. Speaker, I rise on a point of order. With the greatest respect, I think the debate in the committee was very clear about which party wanted to have wide-spread hearings on the North American free trade agreement all across the country.

Mr. Blenkarn: You know better than that.

An hon. member: We are going to be here all day if we have that kind of behaviour.

Mr. MacLaren: Mr. Speaker, the second point that baffles me in this bizarre resolution brought forward by the NDP is that it would scrap any North American free trade agreement.

If that is the position of the NDP I am glad to hear it because it reveals the NDP as a protectionist party. This is pure protectionism.

Mr. Mills: Even if it is in our interest it wants to.

Mr. Milliken: Yes.

Mr. MacLaren: It is saying whatever the content of a North American free trade agreement, the NDP wants nothing to do with it. It is going to try to build walls around Canada and seek protection from those global changes that are everywhere evident.

Mr. Boudria: Like Cuba.

Mr. MacLaren: I have to think that the NDP has some vision of a golden age in the past when Canada benefited from its export of raw materials and seemingly benefited from the protectionism that was provided for branch plant manufacturing in Canada. That age is gone. If it ever was a golden age, it certainly is not here today.

What has happened in the world, what has happened everywhere is that change in technology has meant a global investment and trade marketplace. Global investment can move readily across the world; global trade is growing everywhere.

In the face of that the NDP would say scrap everything. Free trade is out. It does not want anything to do with anything.

The second thing that this resolution says, and it is quite evident from its tone, is that the NDP does not recognize the importance of trade to Canada. One-third of our Gross National Product arises directly from trade. The private sector is heavily dependent on exports. Canadian workers are heavily dependent on our ability to achieve secure and enhanced access to international markets.

It is for that reason that the leader of the Liberal Party said some time ago: "In today's world protectionism is not right or left wing. It is simply passé. Globalism is not right or left wing. It is a fact of life".

The federal NDP does not seem to recognize this. I am not sure, however, that the NDP provincial governments do not recognize it. Each of those three NDP governments, heavily saddled with their deficits, is seeking international markets, improved access to markets, scurrying about the world trying to drum up business for its products. I do not hear the premiers saying reject improved access, reject enhanced access to international markets as the federal NDP members are doing.

I would have thought that those two parts of the NDP would get together. I would also add that the trade critic of the NDP, who is not here today for this debate said recently that the NDP has no alternative trade policy. The NDP would first scrap the North American free trade agreement and then later announce what its policy is.

Surely the NDP does not think the Canadian people are quite that silly, to buy a pig in a poke.

What is the NDP telling us with this resolution? It is against all regional freer trade arrangements? Is it saying it is opposed in principle, for example, to the growth of the European Community or that it is opposed to the incipient regional arrangements in Asia? Is that what it means when it says it would scrap any North American free trade agreement because it violates its concept that we should put all our eggs in the multilateral basket, that is to say, into the GATT? That may be an argument if it wishes to pursue it, but let it say so clearly.

If it is going to adopt that as its trade policy, then would it answer the question of whether in turning its back on the freer access to a market of more than 360 million people, it will support the GATT, including the proposed international trade organization that is a central element in the Uruguay round now nearing completion? Is that its policy?

I do not know that it is. I do not think it is. One of its members in this House has called for the withdrawal of Canada from the GATT. The NDP would tear up not just this but any free trade agreement in North America and

at least one of its members thinks at the same time that Canada should withdraw from the GATT.

We cannot turn the clock back any more than we can turn our back on a North American market with improved and enhanced access.

Our view was from the beginning of the proposal to negotiate a North American free trade agreement that Canada had to be at the table.

• (1210)

We believed that Canada had to be at the table to protect our own interests in North American trade. Otherwise, among other things, if there were a U.S.-Mexico free trade arrangement and a U.S.-Canada free trade arrangement separately, only one country, the United States, would have access to the other two countries on a tariff free basis.

That hub and spoke arrangement was certainly unacceptable to us on this side of the House. For that reason, among others, we thought Canada had to be at the negotiating table. However, the result of Canada's negotiation of the North American free trade agreement is that we have an accord which is both incomplete and flawed.

I want to recall to the House that the leader of the Liberal party said some time ago with reference to the Canada-U.S. Free Trade Agreement: "The free trade agreement must be modified. A Liberal government would go back to the negotiating table to achieve the necessary changes as well as to deal with the definition of subsidies. I have always said that we would rather renegotiate the free trade agreement than abrogate it. I would expect that our American partners will join us to find solutions. It is in their interest as well as ours". That same thinking has now been transferred to the North American free trade agreement which is pending before the three countries.

More specifically we on this side of the House, in pointing out repeatedly that the agreement as negotiated is both incomplete and flawed, drew attention to the fact that it lacks a subsidy and anti-dumping code. There is no clear statement of subsidy definition. There is no subsidy definition at all or a parallel anti-dumping code in the proposed North American free trade agreement.

Second, we urged repeatedly that increased environmental protection and, perhaps more important, enforcement should be a central part of a North American free trade agreement. We looked for revised energy provisions, taking into account the varying commitments on behalf of Mexico and Canada. We sought in the context of the NAFTA negotiations improved labour standards, including the safety of workers.

We would seek, as my colleague from Ottawa South commented a few minutes ago, dispute procedures that would be more binding and effective. We have not seen that come out of the negotiations. Finally, it is a domestic issue, but we sought and have sought repeatedly on this side of the House that the government recognize that freer trade inevitably brings a degree of dislocation.

Therefore we sought and have repeatedly urged the government to match its commitment to freer trade with adjustment assistance to help Canadian workers and firms adapt to a greater trade liberalization globally. That commitment is still lacking and there is no evidence yet that this government is taking seriously the real need in Canada to provide that range of adjustment assistance to help Canadians become more competitive globally as well as in the context of the North American free trade agreement.

I have spoken for a moment or two about some of the changes that we thought NAFTA should include, but I want to draw to the attention of the House that the president-elect of the United States has been saying much the same sort of thing.

I want to quote Governor Clinton who in October stated: "As president, I will seek to address the deficiencies of the North American free trade agreement through supplemental agreements with the Canadian and Mexican governments. I will not sign the legislation implementing the North American free trade agreement until we have reached additional agreements to protect environment and labour standards".

There is the opportunity for us on this side of the House to realize our ambitions to see the North American Free Trade Agreement modified, improved, changed and renegotiated to provide for those provisions which the president-elect has in mind and the other provisions which I touched on a moment ago.

The real question is simply this: Beyond the North American free trade agreement there are forces at work. Basic issues have arisen that this facetious resolution of the NDP does not address. What are they talking about? They are going to scrap any freer trade agreement in North America. Yet, behind that movement to freer trade in North America are the same challenges that face Canadians on a global basis. What do they think we should be doing in Canada to render ourselves more competitive? I do not hear anything from the NDP about interprovincial trade barriers. Obviously we have to achieve a true common market within our own country, provide for the free movement of goods, people and services if we hope to compete effectively abroad. Are they deterred by the fact that they have three NDP provincial governments at loggerheads quite often with the federal NDP? Is that what their problem is? If it is, let them say it. Otherwise let them share with the Canadian people what their policy is, what domestic measures they think are required to make Canadians more competitive.

We on this side of the House have repeatedly shared with the Canadian people our commitment to improved education, to better training and retraining, to a greater commitment to research and development, to better science and technology support, and to the elimination of interprovincial trade barriers. These are a range of issues that are within our own mastery. They are our problems in Canada to deal with.

The motion fails to convey to the Canadian people what the NDP would do in the face of the global challenges that are everywhere evident.

For that and other reasons, I want to move:

That the motion be amended by removing all the words after the word "reject" and replacing them with the following:

—all North American free trade agreements that fail to promote Canadian workers and jobs, and fail to safeguard the environment.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I listened carefully to my hon. friend's comments. I want to thank him for clarifying the Liberal Party's position that it supports the notion of free trade with some changes perhaps to the Mexico—United States—Canada agreement it would feel comfortable going along with that. That is what he wanted to clarify. I guess he is complimenting his colleague in British Columbia wherein they had a chance to vote on the Mexico—United States—Canada trade deal and voted in favour of it in its present form, which I thought was an interesting clarification because there has been mystification around the Liberal position.

I want to clarify for my hon. friend that while his party thinks that putting all of our export eggs into the American basket is a good idea—as a matter of fact in 1988 72.8 per cent of our exports went to the United States and this past year it was increased to 76.3 per cent—presumably as time goes on this trade deal will essentially make us completely and totally dependent upon the fortunes of the United States. I think that anybody who looks around at the world economy will realize that hanging our future onto the falling American star is probably not a good idea, at least that is not what we want.

• (1220)

I am reading from a publication from the Congress of the United States that has done a thorough analysis of the agreement. It had this to say, and I ask my hon. friend if he would concur with the United States Congress when it says the following:

The greatest danger of NAFTA is that it could bring out the worst in each country. Trade and investment liberalization could reinforce commitment to low-wage business strategies among U.S., Canadian, and Mexican firms; destabilize the attempt to foster less adversarial relations between labour and management; weaken the commitment of U.S. corporations to train less educated U.S. workers; reduce incentives for small and medium-sized U.S. firms to construct and participate in co-operative networks aimed at fostering innovation and technology diffusion;

It goes on to say:

The combined effect would be to encourage growing numbers of U.S. firms to pursue business strategies depending on or compatible with production in Mexico.

—a low-wage path would widen the gap between workers' aspirations and the jobs available to them. It would likewise widen the gap between the rich and the poor.

Those comments came out of the examination of the Congress of the United States. I wonder if my hon. friend who just spoke would agree with those sentiments.

Mr. MacLaren: If the member had listened to what I said instead of attempting to put instructions on it he would have understood the policy of our party is to seek change to the proposed North American free trade agreement in the areas I enumerated earlier. We seek change in those areas. We do so in full recognition that only in that way can the agreement work to the benefit of all Canadians.

Second, we parallel that commitment with a commitment to global freer trade. We support the current Uruguay round of the GATT. We support the diversification of Canadian trade. We seek, unlike this present government with its continental obsessions, a broader base for our trade through much more active trade promotion and development in Asia and Europe. That might include the possibilities of new institutional arrangements between Canada and Asia or Canada and the European Community, but all would be directed to that diversification of our trade base which can only bring benefit to Canadians.

However, neither of these points do I hear from the NDP, nor is there any indication it recognizes those two parallel developments: changes in the proposed North American free trade agreement and a real commitment to diversification both through the GATT and bilaterally of our trade interest will ensure Canadians have a sound and sensible international trade policy.

Mr. Don Blenkarn (Mississauga South): I was wondering if the member who just spoke understands, if he listened to the minister, this debate today is on the North American free trade agreement and not on the GATT. The minister is heavily involved in the GATT and he knows that. This party and this government are 100 per cent in favour of expanding our trade to the world. To suggest we are only in the North American basket, as evidenced by the New Democratic Party is just so much drivel.

I wonder if the member would really come clean with us. Does his party like an agreement with Mexico or does it not like an agreement with Mexico? He says he has problems with certain parts. He wants certain parts of the agreement renegotiated. The government has negotiated and negotiated and negotiated. The question is: Do you take the deal as it is or do you leave the deal up the river? The answer is this: You cannot unilaterally amend a negotiation. You negotiate and get what you can while protecting the interests you want to protect and maybe not getting all the things you would like.

The issue really is whether we keep the agreement or not. I think it is time the Liberal Party came clean.

After all, this is really a terrible agreement. We sell $500,000 million worth of goods to Mexico. It brings $1.5 billion worth of goods into Canada. The agreement is not going to hurt labour or hurt anybody in Canada. It will only open up markets.

Surely the Liberal Party has to come out in favour of an agreement that would open up markets for Canada. We have everything to gain from this agreement and nothing to lose. Why does he not come out and say the Liberal Party is in favour of an agreement? Sure we would like it to be better, but we are in favour of the agreement.

Mr. MacLaren: Mr. Speaker, I am afraid the hon. member for Mississauga South is unable to follow the argument which I have presented today. He seems to see things in very black and white, yes or no terms.

That is not the point. He must know it is not the point. He should listen when I say our policy is to seek change and improvement to the nature of a North American free trade agreement. Now who happens along with that same basic policy? No one else but the President-elect of the United States, who would disagree with the hon. member for Mississauga South.

The hon. member for Mississauga South says: "The agreement is just fine the way it is. In fact, it is absolutely perfect the way it is." That is a reckless course. It is as reckless as the NDP saying any agreement is out of the question, however it might benefit Canadians. Those are two reckless courses to pursue.

We are saying we will seek change and improvement in the proposed agreement. It is the very thing the President-elect of the United States has been saying about the provisions regarding environmental protection, worker safety and employment standards and their enforceability.

Those two major issues must be addressed. The President-elect of the United States has committed himself to not proceed with the signing of the legislation implementing the North American agreement until such improvements and changes are made.

We will be there too with our proposals and changes. I assure those on this side of the House when this party forms the government, we will deliver freer trade for Canadians matched by domestic commitments that will bring real benefits to every Canadian.

Mr. Riis: Mr. Speaker, I listened carefully to my hon. friend and I think he inadvertently misled the House. I know he would want to clarify what he just said when he told us the New Democratic Party was opposed to any trade agreement.

We have always supported trade agreements like the auto pact which was in Canada's best interest.

Mr. Blenkarn: You didn't support that either.

Mr. Riis: A free trade agreement is what we oppose. That is a clarification.

The Acting Speaker (Mr. DeBlois): Order, please. I think the point raised by the hon. member is a matter of debate.

After consideration, I declare the amendment tabled by the hon. member for Etobicoke North in order.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I appreciate this opportunity to join in this very important debate today about North American free trade and Canada's role in its trade policy with other countries, in particular of course with the United States and Mexico as is being laid out in the North American free trade agreement and the discussion we are having in the House today.

• (1230)

I second the motion of my colleague, the member for Kamloops, calling on this House to oppose the North American free trade agreement. That raises just a couple of questions as to where we are at with this particular treaty. What is the committee doing which is presently holding hearings into this? What are a couple of the important subject matters under the NAFTA that we have to deal with?

First of all, we now have the North American free trade agreement in our hands and that is the subject of our debate today. We expect the government to introduce some time in the spring, at least from what the Minister for International Trade has said, enabling legislation to implement and change the laws of Canada as they relate to this particular treaty. We will have a very extensive debate on that in the new year. It will be a very important debate because that is when we will see the substance of the changes made in the laws of our land because of this treaty. I suggest that is where the meat and potatoes will be.

After some debate the committee hearings have begun into the North American free trade agreement with the reluctant participation of the Liberals who supported the government and opposed holding hearings in every province in the country on this issue. It was only after some debate and argument by the New Democrats that a bit of money was expended to advertise so that people in the provinces where hearings are being held could have an opportunity to present their views on this agreement to the committee.

A very important point was made by my colleague, the member for Sault Ste. Marie, about one of the provinces that has been clearly impacted by the free trade agreement and will be impacted by the North American free trade agreement. The Liberals and Conservatives refused to hold hearings, even in the part of Ontario represented by the Liberal trade critic in the Etobicoke area, thus denying many of the people of Ontario that important opportunity to debate what many have come to say is the start of the formation of the economic constitution of our country.

I am pleased to say that in discussions in a meeting this morning with the B.C. minister of trade, the hon. David Zirnhelt, the British Columbia government is certainly doing a better job than this government in allowing the residents of British Columbia to express their views and concerns about this treaty. It will be holding wide hearings into this agreement. It will be travelling throughout the province of British Columbia. I invite it and I trust it will come to the major community in my riding, Prince George, and other communities in northern B.C. so it can hear from British Columbians about this issue.

It is interesting to note the difference. We are not sure but we think we are finding out where the Liberals stand on trade. Of course, their colleagues in the B.C. legislature have made it very clear that they have voted completely in favour of the North American free trade agreement as it is, thus rejecting the views of their colleagues here in the House of Commons. I congratulate the government of British Columbia for being open about its views on this issue and for really giving the people of British Columbia a chance to participate and have their views heard.

I want to turn to two areas that are important to this debate. One is the issue that has become evident on the hearings that started yesterday in Vancouver on the whole question of water under this treaty. I am not going to get into specific concerns that were raised by Wendy Holm, who members certainly recognize as someone who has some expertise in this field.

Prior to the 1988 election, the government knew it was under considerable public pressure with the impending free trade agreement and what to do about the water issue. It did introduce Bill C-156, the Water Preservation Act, to give more certainty to the Government of Canada's views on this particular issue. We invite the government to do the same thing as we enter the next election campaign on yet another trade policy.

I now want to turn to an issue as it relates to a trade matter very important to northern British Columbia and all of Canada. It is the question of softwood lumber because it relates directly to what we are talking about with the North American free trade agreement and whether we have made any gains or losses because of this treaty. The evidence that was submitted to the trade committee hearing last week was very revealing and interesting on two points. First I asked the witness, Mr. Ritchie, deputy chief negotiator under the free trade agreement—a free trader himself—a question, and the other five witnesses later in the week, concerning the current state of the dispute panels in softwood lumber.

At least one of them has collapsed right now because of the conflict of interest, thus pushing a possible, and we only underline possible, resolution of that issue to sometime in the middle of next year. I asked them whether this treaty, the North American free trade agreement, would give any added benefit to us now to assist us in resolving this dispute.

Every witness said it would not. They outlined what they felt was one of the losses under this treaty that is very important for a province like British Columbia in particular and the rest of our provinces that rely a great deal and perhaps too much on exports of our raw resources. That is certainly the subject of more debate as we go: the work that we can do in that particular field.

The agreement under the free trade agreement, and I have this in letters from the trade minister praising what he was able to do, was that the question of subsidy and countervail, which is what for us in British Columbia trade issues are all about, would be set aside for five to seven years with a deadline and with the negotiations and ongoing debate at the GATT to try to determine what is a subsidy, what is countervailable by each country in protecting its domestic industries.

Under the North American free trade agreement, as reported by these witnesses, the deadline for a decision has been left out and now it is for ongoing consultations to settle who knows when. As I said, I have letters from the minister praising what he accomplished in the free trade agreement and to those witnesses that was a significant setback in the North American free trade agreement. I believe it is as well because I think most members regardless of their views about trade and NAFTA and the FTA would recognize that.

At some point we have to resolve these matters. I argue and suggest that the setback we now have under the North American free trade agreement is that we will never resolve these very important issues. They will be left for some time to come to be dealt with.

The important information that these witnesses had for us in the evidence and their work they are doing with American people in Washington, D.C. and other areas were the parallel accords from President-elect Clinton.

The member for Etobicoke, the Liberal trade critic, is quite wrong. From all the evidence we have the Americans will be approving this. It is the parallel accord where we will be seeing more.

I suggest to Canadians this is just the start of our trade nightmare. We have much more to see in that area.

In conclusion, for Canadians out there who want to learn more about this issue, I offer the trade treaty itself. To get copies you can write to me so you can see for yourself what it means and what impact it is going to have in your area. It is important that all Canadians understand the importance of this particular agreement, what this government is getting us into and what options we have for the future.

Mr. John Manley (Ottawa South): Mr. Speaker, the member made much of the holding of committee hearings to hear witnesses on the NAFTA. I did not interrupt him with a facetious point of order as the NDP made a practice of doing earlier this morning. I wanted to wait until now to raise this point which to me is quite mystifying.

• (1240)

The NDP has brought in a motion today saying that we should reject any North American free trade agreement. What does it want to hear from witnesses about the North American free trade agreement, having already made up its mind that no matter what was put to it, it would reject it?

What possible additional evidence does it wish to hear? It has shut its ears and closed its mind to any further discussion on trade issues, demonstrating clearly once and for all for the Canadian public that it is in essence a protectionist party.

We know the NDP members like to travel. Perhaps that is why they want to hold hearings. What else could they hear that would open their minds to further discussion on the topic, given the context of the motion they have put forward this morning?

Mr. Gardiner: Mr. Speaker, I thank my colleague for that question.

As I said in the debate, maybe it is about time somebody stood up and protected Canada. I think that is an important point to be made. The hon. member asks what we are about to hear and I think my colleague, the member for Kamloops, the framer of this motion, made that very clear in the point we are making in this debate today.

He asks, and I think this is the crux of the point, why we would want to hold hearings and hear from people. There are two issues alone that I certainly welcome the member to hear from British Columbians. I am not very familiar with his part of Ontario. Perhaps he does not want the people of Ottawa to submit their views on the North American free trade agreement.

Perhaps the Liberals and the Tories did not learn this lesson during the referendum debate. Canadians know in their hearts and their minds that when they see the information for themselves they can make up their minds. In British Columbia yesterday and today water and softwood sum it up and say it all. The Liberals would deny the people of British Columbia the right to relate directly to parliamentarians, who will be voting on this particular issue, their views about how the softwood lumber issue is so important to British Columbia. The water export issue is important to the people of British Columbia as well.

Shame on the Liberals for wanting to shut down any opportunity for Canadians to have some say in the debate surrounding this treaty.

[*Translation*]

Mr. Nic Leblanc (Longueuil): Mr. Speaker, when I hear members of the New Democratic Party talk against any free trade agreement with the United States or any North American agreement, I am reminded of the Communist system which I think is quite outdated. Communism is a protectionist system that prevents people from working freely in different countries.

I think that the best way to have peace in the world is through trade, first and foremost. It is through trade that we learn to live and work together. Their proposal seems to be completely contrary to today's reality, especially in Quebec where we have a tremendous potential with the United States. Montreal is within 1,000 kilometres of 100 million people, 100 million consumers. That is where we must do business and that is how we can make our small and medium sized businesses profitable. That is how we can raise our standard of living, especially in Quebec.

In Quebec, 18 per cent of the population is now considered poor. I wonder how we can promote our economy and create jobs if we cannot trade with the United States.

That is why I completely disagree with this NDP motion that says we should completely cut off our trade with the United States.

[*English*]

Mr. Gardiner: Mr. Speaker, there is some irony in a member of the Bloc Quebecois suggesting to this House that we are being protectionist about our country. Regardless of whichever view we might have about North American free trade or the free trade agreement, aside from some members of this House, we see Quebec playing an important and open role in this country.

The member made some references about outdated and entrenching. I suggest that in fact that is exactly what this North American free trade agreement is going to do. It is going to entrench an outdated system that we have now, a system in our economy that relies on Canada's role as the hewers of wood and drawers of water.

We will not be given the potential and opportunity for the added value components to our forest industry and other areas. It is in the big picture of things from somewhere that our job is to provide those raw resources to cheap labour in Mexico to serve the U.S. market. That is the entrenched and out-of-date system we have to change.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, all of us should think, as we debate this important subject of North American free trade, back to the period of the late 1840s. The Government of Canada at that time and the people of this country faced some very serious problems economically. There were people within the country who looked to build in Canada an economy that would serve our people, be built on Canadian resources and seek to develop this country as a place where a good society could grow and exist.

There were others who looked for an easy out. There were others who said: "We will give up the dream of an independent country and we will establish ourselves as the tail of a North American dog. We will establish ourselves as little appendages of some great North American scheme". This group was led by the merchants of that time, the most powerful business people in the community of Canada in the late 1840s.

They proposed what they called a scheme of North American annexation. They called on the United States through the annexation manifesto to come and take over Canada and create one great North American scheme that would destroy the independence, individuality, and potential for a future of this country.

Fortunately for us the annexation manifesto was rejected by Canadians. That theme and the thinking of Canadian large scale business have persisted throughout the years. There has been a viewpoint on the part of many elements in the Canadian business community that if we could just attach ourselves to the rest of North America somehow this would give Canada a secure future.

This theme found expression through the Liberal Party for many years and the Conservative Party opposed it. The Conservative Party took a position with the national policy of Sir John A. Macdonald. It took a policy with the attempt to develop this country which some at that time called protectionist. Those in the Liberal Party called it protectionist. It was not protectionist. It was about development. It was about developing this country, building railways to the west and bringing in new settlers and establishing new industry. It was establishing in this country the basis for an independent society that would live differently, have different values and in which the people of this country would direct what happens to us.

• (1250)

The great election of 1911 of course was fought on this issue with the Conservatives saying we will stand up for Canada and the Liberals saying no, we will see to it that Canada becomes part of a free trade arrangement with the rest of North America.

In that election, fortunately for the future of our country, the Liberals were defeated and the Conservatives were elected. We then proceeded to follow further a course of development in our country that emphasized building in Canada a society of which we could be proud, a society marked by national institutions like the CBC which the Conservatives brought into being, a country marked by national institutions such as an unemployment insurance system across the country, a national pension system for older Canadians which the Liberals brought into being. But always this theme persisted, this

theme of let us tie ourselves to the rest of North America and somehow that will make us better.

In the last election the Conservatives took this theme forward. They said let us have a free trade agreement with the United States, a free trade deal which was not so much about freeing trade but about tying the hands of the Canadian government so far as its ability to direct, influence and lead economic development in this country.

We have seen the result. We have seen the longest and, for Ontario, the deepest recession in this country since the Dirty Thirties. The government occasionally gets up and tries weakly to defend itself by saying well, agreed, it has been a disastrous recession but we have it somewhat better because of the trade deal than it otherwise would have been.

The reality is free trade meant that Canada went into recession first, before the United States. That has never happened historically before. The free trade agreement meant that whereas our exports in the three years before free trade went up by 7 per cent to the United States annually, our exports in the three years after free trade came into effect went up by only 4 per cent.

Whereas in the three years before we had a trade surplus with the United States of $6 billion on an annual basis, in the three years after the free trade deal went into effect that surplus dropped to an average of $4.5 billion.

Each year free trade meant more imports coming from the United States and proportionately fewer export increases to the United States. The consequence of that was lost jobs. The most recent unemployment statistics show over 200,000 fewer Canadians employed in August 1992 than at the start of the free trade arrangement. In the manufacturing sector there are over 400,000 fewer Canadians employed.

Now the Conservatives want to take us into NAFTA, a North American free trade deal which would have the effect of making the U.S. free trade agreement even worse. It would have the effect of making job losses even more certain to hit us. It would have the effect of making even more difficult guaranteed access to the U.S. market. We abandoned one of the things the Conservatives said we had to have in the previous free trade deal: the commitment to the development of common subsidy rules between the two countries. That has been lost.

I hope the House of Commons will today recognize that we have the chance to send a message to the people of Canada and of North America that this country opposes any North American free trade arrangement. We see ourselves as part of the world. We see ourselves as being able to trade with every country. We see ourselves not as setting up special protective barriers behind which we will tie ourselves to the United States and Mexico, but as a country that is part of the world and not simply an appendage of North America.

I hope that in the end at least the Liberals will join with us in supporting this motion.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I was intrigued with the historical report of the member from Windsor on the election of 1911 where he complimented the Conservative Party on opposing a trade agreement with the United States and thought that the national policy developed by John A. Macdonald and continued through the last depression would be the policy for Canada. I assume then that it is the policy of the New Democratic Party to reinstate the national policy and to impose on Canadians a high tariff policy with very serious trade restrictions to build the nation of Canada in order to make sure that Canadians are treated differently and act differently than every other people in the world.

I was wondering, with this new national policy, how high does he think he will have to put tariffs? Does he think with the new productive systems that it means you can skip a tariff barrier of 10 per cent or 15 per cent? Would he advocate 50 or 60 per cent tariffs? Does he think that would be enough? Does he think, as a member of the New Democratic Party, that its goal to go to the world with high tariffs would be the way to encourage world trade or would he just abandon all tariffs? Would he abandon all restrictions? Would he not have any kind of trade agreements, just a complete withdrawal of all tariff barriers and no agreements at all?

Where does his party stand? Is it in favour of the national policy he spoke of so eloquently? Will he tell us about the new national policy of the New Democratic Party or the new dinosaur party?

Mr. Langdon: I am always pleased to see the member for Mississauga South get up and speak in the House of Commons. I would have thought that as a member of the Conservative Party he, like me, might have looked back to the history of his party and to the history of the country and seen that the national policy in its time was an important contribution to Canadian economic development.

I certainly am willing to recognize that. If he wants to turn his back on Sir John A. Macdonald that is of course his privilege. I respect that period of history in which we in Canada decided to build our own society. How we decided to do it in 1872 when Macdonald announced the first elements of the national policy and how we do it in 1992 are quite different. If the member has not noticed, the world has changed dramatically in the last 120 years. Because of those dramatic changes, the strategies adopted in 1872 are certainly not the strategies that one would choose to adopt in 1992. One would instead look to achieve the same objectives of building an effective, independent future in which Canadians can be proud through more progressive, efficient and effective means.

• (1300)

These means have to include commitments such as we have under the auto pact which have helped the constituency of Mississauga South just as they have helped the constituency of Essex—Windsor, insisting that when companies have the right to import duty-free into this country that the consequence of that right is that they also have a commitment to generate certain levels of value added in this country and therefore certain jobs in this country.

We must have a commitment to fair trade for Canadians that will give us a chance to compete with the rest of the world. It is our goal not to hide away here in Canada, but to grow effectively in the future.

The problems of 400,000 unemployed manufacturing workers seem not to matter to this government across the aisle. I am proud to say that for me and my party these jobless Canadians are right at the front of our concerns and we will continue to fight for them.

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, I would like to accept my hon. friend's invitation to begin my comments by going back to Canadian history and back to the 1840s, 1850s, 1860s and 1870s and share with him the fallacy of his very partial reading of Canadian history.

First of all the member reminded the House that in the 1840s and 1850s the provinces of Canada and eventually the Confederation of Canada in the 19th century were against, except for the annexation movement, free trade with the United States. There were some people who wanted free trade with the United States who called themselves annexationists.

All that is true, but the member overlooks some very important facts. If he will take a look at a recent book by Gary Wells in the United States on President Lincoln there are an interesting three pages of a visit of Sir John A. Macdonald to see the President of the United States, Abraham Lincoln. Nothing appears in the book about their conversations, but what struck Macdonald when he left Washington the next day was how many American troops were amassed in Washington. All along the roads all the way back to Canada he saw nothing but troops, troops, troops.

Canada of course became a country in 1867 and this all happened during the American Civil War when the amount of troops under mobilization in the United States was over one million. Under no circumstances could Macdonald, or any responsible political leader in British North America want to have any annexation or free-trade with the United States with that particular reality.

We then had the Fenian Raids in the 1880s. We then had the problems between the British Empire, of which we were a part, and American priorities when it came to Europe.

What I am saying is that in the 19th century it made no sense at all to have free trade with the United States for geo-political reasons or for economic reasons. For this member to go back to that period and say that is an example for us in 1990s or as we move into the 21st century is absolutely incredible. The situation now between Canada and the United States is totally different than it was 100 or 140 years ago and this is what he overlooks.

I am interested in economic historians who take up his theme of protectionism and who have examined it, especially those on the left in Canadian historiography and he would be very interested in this. Two very fine studies have been done by Robert Mailer and Glen Williams that have taken a look at the effect of protectionism as it persisted into the depression, as our friend from Mississauga South reminded us.

These two studies point out the extent of protectionism in Canada. By the mid-1950s protectionism in Canada led to the protection of a kind of oligarchy or economic elite in Canada. These distortions started to develop and we were not being competitive any more because we protected our business elite. The Mailer study takes a look at three volumes of all of these elites that were artificially kept alive through the protectionist strategy. I am surprised that the NDP wants to keep certain economic elites alive today through a protectionist strategy.

The Glenn Williams book, entitled *Not for Export*, takes a look at how under protectionism the Canadian market was not encouraged to export back to the British Empire or the United States. In the 20th century we started to see the rigidities and prices we were paying for protectionism. They were very high. Even historians on the left recognized this. I invite my NDP friends to read these left wing historians, Glenn Williams, Robert Mailer and others, who make it very clear there was an ossification, a paralytic, no progress kind of reality in the Canadian economy in the first half of this century. To some extent it was caused by the excessive protection we gave to various industrial groups in this country.

After World War II, and this brings us to our speech, suddenly we had movements to liberalize trade internationally. That is what is new and that is what the NDP overlooks. We have the General Agreement on Tariffs and Trade, but we did not have it in 1840, 1850, 1860 or 1870. What has happened now in international commerce affecting the second most trading country in the world, Canada, perhaps more than any other country, is that tariffs have come down, quotas are disappearing, everybody is competing against everybody else.

The suggestion from the hon. member from the NDP that we can somehow hide from that is absolutely ridiculous. We could hide from it in the 1840s. We could hide from it in the 1860s. We could perhaps even hide for a few years in 1911 but today we cannot. Today we have a General Agreement on Tariffs and Trade. World-wide tariffs are coming down and this is a reality they have a great deal of trouble understanding.

What does this have to do with NAFTA? We have now such a liberalized trade agreement that when we brought in the free trade agreement already 80 per cent of what Canada was trading with the United States was tariff free. The free trade agreement with the United States liberalized the final 20 per cent and also gave us something we never had before and that was a dispute settlement mechanism with the United States.

That dispute settlement mechanism has always impressed me because I will never forget a conversation I had with the Japanese minister of trade about three years ago who asked me to explain this aspect of the free trade agreement. He asked me to explain how the binational panels work. I explained it. Then he said: "Just a minute. I want to get this straight. The United States is ten times bigger than Canada in terms of economic power". I said yes, but whenever there is a dispute under the free trade agreement and it goes to a binational panel, there is equality even though Canada is one-tenth its size. He said that is a pretty good deal and that he would like to get that for his country.

This is what the mechanism gives us. It gives us equality, protection and an access we never had before. When we talk about getting rid of the free trade agreement or NAFTA that kind of protection against a power ten times bigger than we are will be gone.

• (1310)

The dispute settlement mechanism together with the liberalization of trade into the United States has led to spectacular gains. First of all, our exports have grown from 1989 to 1991 five per cent. We are now at record exports of manufactured goods and merchandising goods. Our export levels in 1992 are running at record levels. All of this in part is because of the trade agreement.

This access clearly is paying off. Our sovereignty has been strengthened through the binational panels. It is interesting that on the binational panels of the dispute settlement mechanism, I think we have won ten and lost nine or vice versa. The United States is 10 times bigger than we are, but when we get ourselves into a dispute we do pretty well. Because we have equality, we have won as much as we have lost. That is tremendous.

Before, we were totally at the mercy of an extra-judicial process which cost millions of dollars and took years to accomplish. They could just deplete a corporate treasury to make sure that we bled to death before the agreement was settled. Under the dispute settlement mechanism now, all agreements have to be made in 315 days. Decisions have to be rendered. They have to be followed. This is an important addition to our trading relationships with the United States.

Who would not take that cup of tea if it were being offered? We did and we are very proud we did. I think NAFTA is a further building on the free trade agreement in a number of important senses. The one important sense which the member for Mississauga South pointed out quite ultimately on television when I heard him about an hour ago is that most of our tariffs are gone against Mexico now.

We have no quotas against Mexico. We started to do this as hon. members will know over 10 years ago when we started to help developing countries by removing our tariffs against their imports.

Now we have a situation in which when it comes to auto parts almost 86 per cent of everything made in Mexico comes into Canada tariff free. What is NAFTA about when you talk about Mexico? It is not about our getting rid of our tariffs. We have already done that. It is not about our getting rid of our quotas. We do not have any against Mexico. It is about Mexico's getting rid of its tariffs and quotas against us.

People ask if it has any. It does. Talk to Northern Telecom. When it wants to export telephones into Mexico, it runs into a 20 per cent tariff in quotas. Talk to our forest products companies. Talk to our financial institutions. All these are impeded in their access into Mexico today either through tariffs, quotas or outright prohibitions as exist in the field of financial services.

What is NAFTA about? NAFTA is about access to the Mexican market. I have to say that I admire the Mexicans for entering into this agreement because what President Salinas was recognizing was what I recognized at the beginning of my speech when I talked about Canadian economic history.

If you protect a small oligarchy of business leaders with huge tariffs and quotas and prohibitions against outsiders that oligarchy gets fat, uncompetitive, cannot produce and everybody suffers. He said he is going to make sure there is a breath of fresh air that blows through the Mexican economy called competition because that is what Mexico needs. That is exactly what we did when we agreed to the General Agreement on Tariffs and Trade, when we took leadership on Uruguay and other rounds of GATT. That is exactly what we believed in when we brought forward the free trade agreement with the United States.

I have to say that the hardest message to get across right now is what Mexico is giving up to Canada in NAFTA. I think it is important that we put this on the record. First of all, most of Mexico's tariffs and non-tariff barriers such as import licences will be eliminated in 10 years. This is quite an achievement when one thinks back to a decade ago when Mexico's economy depended on those kinds of protectionisms and licences.

Second, we are going to have a set of clear and more predictable rules of origin. This is a big problem. You want to find out what is made in Mexico, what is made in the U.S. and what is made elsewhere as well as what is made in Canada. Let us clarify the rules of origin so we know what the proper tariff rate is.

This is being made clear and more predictable. It is undeniably going to be a plus to traders and investors both inside and outside NAFTA who are seeking an environment more certain and one less susceptible to disputes.

There is something else. We all know that the economies of all industrialized countries that service business as well as consumers are growing as a proportion of our economy. In this agreement a wide range of services are now being covered in NAFTA. This reinforces the movement toward a big services liberalization package in

the GATT. As matter of fact it is kind of a living laboratory that the GATT can use to liberalize services.

Government procurement is another one. In my riding there are a number of companies that would like to sell to governments around the world: Washington and Mexico City. All three countries have agreed to a large government procurement package which covers not only goods which we are familiar with, but also services, including construction services. This will be encouraging to those who are seeking a big procurement package in Geneva. It dovetails very well with the GATT negotiations there.

Also, we have improved transparent standards, including for the first time standards for transportation and telecommunication service.

We have a stronger dispute settlement mechanism. I spoke at length about the great advantages brought to us under the FTA. It is being strengthened. Exporters and investors around the world will be reassured that their interests will be defended in a more transparent and enforceable dispute settlement mechanism.

Finally there is an accession clause providing for other countries to join the NAFTA.

These are the things we are getting from Mexico. There is something else which is also difficult to get out as a message but probably the most important. Take the example of a Swiss entrepreneur or as I met the other day a German entrepreneur with a large manufacturing enterprise who wants to locate for North American production. He is looking at Canada, the United States and Mexico. He said to me six months ago: "If we do not have access to the Mexican market out of Canada, I am really going to have to be in either Mexico or the U.S. I have taken a look at Canada. We can be very competitive. This is where I would like to make the product but you have to get access to the Mexican market. You had better get this NAFTA".

Here we have the hon. members opposite disagreeing with any North American free trade agreement. Even one of perfection put together by Mother Teresa they would not support.

In this access to world-wide investors for the North American market, 360 million people, we can either be left on the shelf or we can be part of it and that is what this NAFTA agreement will bring us.

Frankly people say nobody is interested in Mexico; it is too far away; there are very few business people interested. This is not the case. The Minister for International Trade has given the House numbers this morning on how many business visits there have been at the embassy. They have almost quadrupled in the past year. Two-way trade between Canada and Latin America exceeded $8.5 billion in 1991, up 9 per cent from 1990.

Then in the first six months of 1992 our exports to Latin America were up 15 per cent from the year before and the asset value of our investment in Latin America now tops $6 billion. We have Canadian companies. Northern Telecom employs Canadian union members, people who are going to benefit from joining NAFTA. Nova Corp., Bank of Nova Scotia, Bombardier, General Electric, Bell Canada, Systemhouse, Cominco, Alcan, Falconbridge, Petro-Canada, Noranda, Moor and Teleglobe are all redoubling their efforts in this region.

NAFTA fits in with an overall strategy for improving and increasing our exports to Latin America. It also fits in with the leadership that we are trying to give through the GATT.

Finally, it fits in with the view that Canada's sovereignty can best be protected by increasingly becoming wealthier through trade and by having a dispute settlement mechanism which gives us equality with countries we are in dispute with even though they are ten times bigger than we are or three times bigger than we are. That is what these dispute panels will do.

I find this agreement notable for what it brings Canada and notable for the opportunities it will bring us. I call upon the House to reject this motion calling for no free trade agreement ever within North America and to support the government in its efforts to build a great burgeoning market of $360 million in North America.

• (1320)

Mr. Joe Fontana (London East): Mr. Speaker, I appreciate the opportunity to ask my colleague from London West a question.

I agree with him that Canadian business could be competitive if it truly had a level playing field and a government that got off its back and was very supportive.

With respect to the U.S.–Canada Free Trade Agreement I have to comment on the fact he says it has been the greatest thing since sliced bread, especially as it relates to the dispute settlement mechanism. He points out our sovereignty has perhaps been made more secure because we have equal representation on these binational panels.

The fact is those panels are adjudicating on American trade law and not on Canadian trade law or international trade law. I do not see how he can say our sovereignty is protected when those people are adjudicating on the basis of American trade law and not Canadian trade law.

He indicates one of the most positive steps in the U.S. free trade agreement is we do have such a dispute settlement mechanism.

Let me ask the minister why we continually get this harassment from the Americans. Most recently they have essentially taken us on with respect to steel, auto, lumber, pork, ice cream, yogurt and you name it. The minister says it is much less expensive for our businesses to have to counter those harassment tactics by the American administration.

I would very much like the minister to be able to reconcile for me and the Canadian people how we can have such a fair agreement when in fact the Americans keep taking us on with respect to those areas of trade where they obviously think we are taking advantage of them.

With respect to NAFTA, the minister says it merely builds upon what we manage to achieve through the Canada–U.S. Free Trade Agreement. Why could the minister and his government not rectify a real problem in the U.S.–Canada Free Trade Agreement, which is the lack of a definition for subsidy and the fact we could not get an anti–dumping code?

Those issues have still not been resolved with respect to the Canada–U.S. Free Trade Agreement. They continue in NAFTA where we do not have a subsidy definition and we still do not have an anti–dumping code. If we did, Canada could protect itself from the Americans dumping stuff into our country at lower prices than they would in their own or accusing our steel industry of dumping into the United States.

The Acting Speaker (Mr. DeBlois): Order, please. Other members want to ask questions. I give the floor to the hon. minister of state.

Mr. Hockin: My hon. friend from London East raised a number of points. Maybe I should stand up now and start to respond to the first part.

My hon. friend and I usually get on the airplane Monday morning to fly from London to Ottawa. There is usually someone on the plane with us from Northern Telecom who tells us they want the North American free trade agreement passed, or somebody from Joh Rubber Inc. in Leamington who will have 60 per cent of their production go to Mexico if we get this agreement passed. What are we going to say to them on the aircraft about NAFTA?

Siemans Electric is expanding just outside of London. It makes motors and electronics for automobiles and is looking forward to a big Mexican market as well as American and Canadian markets. What are we going to say to these companies on the plane, my hon. friend from London East when they say they want us to join the NAFTA?

Also what do we say to Smith Industries, which has a whole series of new contracts for wheels. There is a company just outside Barrie and most of its exports will go to Volkswagen in Mexico. It goes on and on. There are just dozens of companies waiting for this agreement to put people to work in my hon. friend's riding as well as my riding. This is the reality.

He asked about American trade law. He said the problem with the American dispute settlement mechanism is they are asked to make adjudications on American trade law. Now I am not going to skate away from the point he is making because it sounds very damaging.

Let me tell about American trade law. Just about everybody who takes a look at American trade law, including academics on the left and right, says Americans trade law is a model in most fields, although not its application. The problem is Americans do not consistently enforce their own trade law.

Have you taken a look at our trade law? Compare our trade law with American trade law and tell me in what ways theirs is better. The fact is both of our trade laws are really quite good. The Americans do not enforce their trade law on a proper basis. They play all sorts of games to avoid enforcing the logic of their own trade law.

We put the binational panels in place to make sure they could not do this anymore.

That is the answer to the hon. member's question. If he threw out this binational reality and put us right back into bed with American trade law being unevenly and unfairly applied, we would be right back to where we were before 1988. We would be in deep trouble.

That leads me to his point about harassment. I believe we will always have harassment but we will have much less harassment if we have this dispute settlement mechanism. It will be able to bottle up harassment and deal with it in an expeditious way so we will have equality. Lacking that we will have even more harassment.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Regardless of our views about the North American free trade agreement we all accept that President-elect Clinton has told the Prime Minister, according to what the Prime Minister said in this House, that he has accepted the North American free trade agreement as it is. He will sign it along with this government and eventually bring forward enabling legislation to implement it.

What President-elect Clinton has seemed to have suggested, and the trade minister and the Prime Minister have made reference to this in Question Period in this House, is he is perhaps interested in pursuing some of his campaign commitments by way of some parallel accords, perhaps on the environment and in particular on labour adjustment.

My question to the minister is this: If we are to expect enabling legislation from this government on the treaty as it is now, and if President-elect Clinton starts a negotiating process of parallel accords on the environment and labour adjustment, does he expect we will then see further enabling legislation brought before this House to implement any subsequent changes this government may end up having to negotiate with the new president in the United States and Mexico?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): We are talking about a country by the way when we talk about Mexico. We are talking about a country that very often has to send everybody home two or three days a week from industrial enterprises because of excess pollution being created or brown-outs or lack of power and so on.

Mexico has severe environmental and power problems. It has a real incentive to get this right or it cannot be productive and will never be able to participate in a meaningful way in a trading relationship with the rest of us. I would hope the Mexicans would want to have a parallel accord on the environment, as well as President-elect Clinton, but what should we do?

We have our own course which is frankly a model for most countries and we are going to stick to that course. If we can improve it in some small way under the NAFTA arrangement and get others to improve theirs, I am very much in favour of that.

I know my hon. friend, the member of Parliament for Parry Sound—Muskoka has worked hard on acid rain. He finds a lot of this acid rain does not come from Canada but from elsewhere. He would support it too. Sure we will be there to help with any improvement, but frankly I do not think we have as much to accomplish on that front as the Mexicans and the Americans.

On the topic of labour adjustment, there was an article two weeks ago in *The Economist* that said no country spends more money per capita on labour adjustment than Canada. It is the same for education, by the way, and I wonder whether we are getting our money's worth. But I have to tell you on labour adjustment we have such a huge array of programs, I am sure we can deal with this one per cent of Canadian trade, which is our trade with Mexico. If not there will be some adaptations made to meet that.

• (1330)

The burden should not be on us but primarily on the Mexicans and the Americans.

The Acting Speaker (Mr. DeBlois): It being 1.32 p.m. I do now leave the chair until two o'clock.

The House took recess at 1.32 p.m.

AFTER RECESS

The House resumed at 2 p.m.

S. O. 31

STATEMENTS PURSUANT TO S. O. 31

[*English*]

WORLD AIDS DAY

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, December 1 is not *Just another Day*, the title of a recent hit song by singer Jon Secada.

Today is World AIDS Day, an international day of action and mourning in response to the AIDS crisis. Although intended as a romantic song, *Just another Day* reminds us what it is like to be without someone and today we are without many people from the artistic world.

Canada's artistic community observes a day without art designed to celebrate and remember the achievements of colleagues and friends, while mourning their loss in our creative communities decimated by AIDS.

I call upon this government to do everything in its power to commit the necessary resources and to promote understanding to remove the stigma of misunderstanding about this serious disease affecting so many of our friends and families.

The red ribbons you see today are a message that our thoughts, deeds and actions are with those suffering with AIDS or are HIV positive, that we care and must find and promote the needed prevention programs against infection to stop this epidemic.

This day without art is certainly not just another day.

* * *

[*Translation*]

PATENTS FOR PHARMACEUTICAL PRODUCTS

Mr. Marcel R. Tremblay (Québec-Est): Mr. Speaker, I would like to inform hon. members that the *Conseil du patronat du Québec* supports the bill to amend the Patent Act for four reasons.

The bill brings Canadian legislation up to world standards. Considering the importance of its trade with other industrialized countries, Canada must bring its patent legislation into line with that of its economic partners.

This bill will attract substantial investment in Canada and Quebec. Pharmaceutical companies are committed to investing $400 million in research and equipment between 1992 and 1996 which will create more jobs.

The industry is an innovative sector that is vitally important to Quebec because it invests large amounts of money in research and development and helps discover new drugs for the treatment and cure of disease.

The bill consolidates the achievements of the 1987 reform. By and large, the industry has met its commitments with respect to research and development. In 1991 R & D represented 9.6 per cent of its business volume.

We must not forget that the Patented Medicine Prices Review Board guarantees that prices will not be excessive and that sales of generic drugs have increased by 100 per cent since 1987.

* * *

[*English*]

HOUSING

Mr. Joe Fontana (London East): Mr. Speaker, Statistics Canada recently reported that the current recession has hit the housing construction industry as hard as the recession of the early 1980s.

Industry analysts say it was only with the help of various government incentive programs, combined with low interest rates that home construction industry improved slightly in 1992, but it is still in a dismal state. The use of RRSPs for down payments and a 5 per cent down payment were promoted by the Liberal Party and finally introduced this year.

Despite its success, the federal government plans on eliminating the RRSP program on March 2, 1993. This is not the time for the federal government to abandon the home construction industry and potential home buyers.

There was an 11 per cent decrease in housing construction last month and interest rates are proving unstable as they continue to climb. This faltering level of housing construction is proof that the cost effective RRSP program is still absolutely necessary and the government should reconsider its decision to abandon it on March 2, 1993.

[*Translation*]

325TH ANNIVERSARY OF LA PRAIRIE

Mr. Fernand Jourdenais (La Prairie): Mr. Speaker, La Prairie, a small but important town in my riding on Montreal's South Shore, and one of the first towns founded in Quebec, is celebrating its 325th anniversary this year.

I would like to stress the hard work and incredible dedication of the municipality's organizers and volunteers and the fantastic job they have done to organize a celebration worthy of the name, by offering a program including social and cultural activities, gourmet dinners, and garden parties in period costume.

A special word of congratulations goes to the three authors and all contributors who helped write a book that makes a vital contribution to our knowledge of the history of La Prairie. Congratulations and a warm thank you to everyone in my riding.

* * *

[*English*]

TRANSPORTATION

Mr. Vic Althouse (Mackenzie): Mr. Speaker, the Minister of Agriculture continues to try to change the Crow rate from a transport subsidy to a farm subsidy.

Last winter Saskatchewan farmers rejected this idea by a margin of more than three to one. The proposal then was to pay the farmers a one-time payment of about $80 an acre and have them pay all shipping costs thereafter. This money would last less than four years.

Our current cash rents in Saskatchewan are about $25 an acre. Production is about one tonne per acre and extra shipping costs for that tonne would be $25 to $28. Therefore the market value of rents would sink below zero with this proposal. That explains why Saskatchewan Wheat Pool delegates voted unanimously, something unprecedented for them, to leave the rate issue alone and use other means to improve shipping efficiency.

The government should heed that good advice.

S. O. 31

THE ECONOMY

Mr. Garth Turner (Halton—Peel): Mr. Speaker, I would like to apologize to my constituents. I have been assuring the people I represent that the national government would be able to meet certain targets for the deficit.

I told them that this year it would be under $30 billion with more reductions expected in the coming years. Until sometime around 1995, Canada would no longer be adding every year to its accumulated debt. It is now clear this is not going to happen.

We have made mistakes. We can do better and simply put, I am sorry. I believe the Minister of Finance has tried hard to stick by his word. He is an honest man. I believe no other Canadian could have done better, given the circumstance of a recession across the whole western world.

However that is just an excuse and my constituents deserve more. They deserve a balanced budget, deeper spending cuts, less borrowing, less government, more jobs, good health care, a better environment and a decent life.

I pledge to continue working for those things.

* * *

UKRAINE

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, last year on December 1 approximately 92 per cent of Ukrainians voted yes in a referendum which affirmed the Ukrainian Parliament's August 24, 1991 declaration of independence.

My colleagues and I, and especially the one million Canadians of Ukrainian ancestry, were proud that Canada was the first western nation to recognize the independence of Ukraine.

Today in my riding the Ambassador of Ukraine officially launched the opening of Ukraine's very first embassy in Canada. I had the pleasure of attending this event at 331 Metcalfe Street, the new location of the embassy.

The first Ukrainian Ambassador to Canada, His Excellency Levko Lukianenko, spent more than 25 years in Soviet prisons for his belief that Ukraine would one day become an independent nation.

On behalf of all Canadians, I welcome Ambassador Lukianenko and his colleagues from Ukraine and wish them all the best with their new responsibilities in Canada.

* * *

EXTRADITION ACT

Mr. Doug Fee (Red Deer): Mr. Speaker, I have risen many times in this House to express my outrage with foreign criminals who come to our country and the delays in our extradition process that has kept them here as guests of the Canadian taxpayer.

Hundreds of my constituents have petitioned the government to change the Extradition Act to prevent Canada from becoming a haven for criminals fleeing justice in their own country.

Today is a satisfying day. The amendments to the Extradition Act have come into effect.

The hon. member for Peterborough must be happy. He was instrumental in making this issue a priority. I also give credit to the Minister of Justice for listening and for acting upon the petitions of thousands of Canadians.

The new act sets time limits on the steps in the extradition process. Certain appeals will be heard concurrently and charter arguments will be made earlier.

As of today, any criminal who comes to Canada and thinks he can use our Extradition Act to drag out his time in Canada for years is sadly mistaken. The wheels of government may turn slowly, but at least in this case they turn in the right direction.

* * *

WESTRAY MINE

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, it has been almost seven months since the tragic Westray mine explosion took 26 lives in Nova Scotia. There have been four formal requests for a parliamentary examination into this tragedy, all of which have been brushed off by those opposite.

If the government will not listen to members maybe it should listen to Bernadette Feltmate of Antigonish, Nova Scotia who is the wife of a deceased miner. She writes:

> We lost 26 husbands, sons and fathers on May 9 in the Westray mine disaster. Our elected officials in Nova Scotia and Ottawa have turned a blind eye and deaf ears to our heartache and our questions.
>
> A provincial inquiry into possible wrongdoings has been quashed, charges of labour safety infractions are still up in the air, and an investigation into the cause of the explosion has not taken place. We as taxpayers paid $134.9 million to the company directly involved with this destruction. Surely someone must be accountable. If our government can back private industry to the tune of $134 million, surely they can afford to pay for a fair and unbiased investigation into the Westray disaster.
>
> Please help us. We need some answers so that when our children ask us in the years to come, we will be able to assure them that we did every thing humanly possible to find out what happened to their fathers.

* * *

FOETAL ALCOHOL SYNDROME

Mrs. Barbara Sparrow (Calgary Southwest): Mr. Speaker, today the Minister of National Health and Welfare tabled the government's comprehensive response to the report of the Standing Committee on Health and Welfare, Social Affairs, Seniors and the Status of Women on foetal alcohol syndrome.

Foetal alcohol syndrome is a preventable disorder with significant consequences for individuals, their families and communities. Alcohol related birth disabilities can be prevented through education awareness that there is no safe level of alcohol exposure to the developing foetus and a commitment by communities to encourage and support a woman's decision to avoid consuming alcohol while pregnant.

• (1410)

At the same time, we all must become more aware of the special needs of those coping with foetal alcohol syndrome. In compiling the response, the government had the benefit of helpful advice from many sectors by way of a national symposium held in Vancouver in October. The government wishes to give a special acknowledgement to the personal energy and commitment shown by the parents and the caregivers of people affected by foetal alcohol syndrome.

* * *

CFB MOOSE JAW

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, on November 5 of this year Barbara Essex went out to check cattle on the family farm near Chaplin, Saskatchewan. She did not return. The all terrain vehicle on which she was riding upset, causing a severe head injury. A ground ambulance arrived but was unable to

transport her the 150 kilometres to Regina because she could not survive the trip.

Barbara's life was saved because CFB Moose Jaw was able to dispatch a helicopter to pick her up and transport her by air to Regina. Thanks to the base rescue flight, Barbara is making a miraculous recovery.

Had this accident happened a year from now we would be mourning the loss of Barbara and not celebrating her recovery. The reason is that as of this summer, the base rescue flight is to be removed from CFB Moose Jaw.

CFB Moose Jaw is a training base for pilots. In terms of take-offs and landings only Toronto's and Vancouver's international airports are busier. The loss of the base rescue flight not only puts CFB Moose Jaw personnel in danger but is a tragic loss for the entire province.

This is termed a cost-cutting measure. The question I have for the Minister of National Defence is: What is the value of human life? Perhaps he should ask Barbara's parents.

* * *

WINNIPEG BLUE BOMBERS

Mrs. Dorothy Dobbie (Winnipeg South): Mr. Speaker, this weekend saw a re-enactment of that great Canadian football classic, the Grey Cup. The Winnipeg Blue Bombers represented the east and Calgary represented the west in the battle of the titans.

I am proud of the Bombers. My confidence in their prowess has never wavered for a moment. They played the game like true champions and knowing that Calgary had not won the Grey Cup for over 21 years, they played the game like gentlemen.

However, due to pressure exerted on me by the hon. member for Calgary North, I am forced to state that for this one game only, Calgary was unequivocally the better team.

Next year, I know that the Bombers will be back and take the Grey Cup again.

[*Translation*]

HIBERNIA PROJECT

Mr. Nic Leblanc (Longueuil): Mr. Speaker, the Auditor General of Canada has shown that the federal government is a very poor manager. One example was the money wasted on the Hibernia Project. We in the Bloc Quebecois were the only members against this far-fetched megaproject.

The federal government is putting Quebec into debt at the rate of $6 billion or $7 billion dollars per year. On behalf of all Quebecers, I condemn this kind of mismanagement.

* * *

[*English*]

WORLD AIDS DAY

Mr. Ross Reid (St. John's East): Mr. Speaker, the theme for this year's World AIDS Day is community commitment.

I hope that all of us in this House and in this country will renew our commitment to prevention through education and research; to treatment through medical care and new drugs; support for the sufferers of AIDS and HIV and their families; support for those communities of professionals and volunteers that work with HIV and AIDS patients.

I hope also today we can renew our commitment to stop the discrimination against those with HIV and AIDS. All of our communities need to come together to deal with this tragedy.

* * *

LOCKPORT BRIDGE

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, the Lockport Bridge committee in the federal riding of Selkirk—Red River is furious that the federal government has reneged on a November 10 commitment to repair the bridge before demanding a full agreement on divestiture to the province.

This bridge will have to close on January 2, 1993. It has been neglected for years by its owner which was then, and is now, the federal government. The closing of the bridge and the delay of repairs will decimate the town of Lockport, threatening 428 jobs and impeding the traditional weekend pastime of many Winnipegers who drive

to Lockport on one side of the Red River and return to Winnipeg on the other.

I call on the government to stop making the citizens of Lockport potential victims in its negotiations with the province. It is a federal bridge. Fix it first, then negotiate as long as it takes.

Yesterday we heard about overpasses to be built by the federal government in Montreal because they were in federal jurisdiction. This bridge is in federal jurisdiction. If the Minister of Finance is looking for worthy infrastructure projects, the Lockport bridge should be at the top of his list.

* * *

[*Translation*]

PERLEY BRIDGE

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, the Perley Bridge between Hawkesbury, Ontario, and Grenville, Quebec, was built in 1931. The bridge, which is 2,284 feet long, has provided this connection between Ontario and Quebec for 61 years.

Unfortunately, the bridge is old, too narrow and should be replaced. Since 1984 I have been begging this government to act in co-operation with both provinces and replace the Perley Bridge.

Let us not wait until it is too late. Let us stop dragging our feet.

I therefore ask the Minister of Finance to include in tomorrow's statement an announcement that he will replace the Perley Bridge between Hawkesbury, Ontario, and Grenville, Quebec.

* * *

[*English*]

CANADIAN FOOTBALL LEAGUE

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, the Canadian Football League is looking beyond our borders to gain access to new markets. I, for one, would support that initiative. Legislating where a professional Canadian league can or cannot expand would be the death of the CFL.

Wayne Gretzky said it best. He said he did not want government legislation, or regulation or government money to keep the CFL alive.

Wayne Gretzky, one of Canada's greatest athletes and ambassadors, can stick handle better than any politician. He has invested in the Canadian Football League but knows that professional sports needs no boundaries. Government does not belong in the playbook of the CFL.

ORAL QUESTIONS

[*English*]

THE ECONOMY

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

Yesterday the Minister of Finance repeatedly said in this House that the economy is doing better. This morning Manpower Temporary Services made an announcement. This company surveyed across the land employers in the 10 important sectors of our economy. It reports today that 87 per cent of all companies in Canada are planning either job freezes or job cuts in the first quarter of 1993.

Does the Prime Minister realize what is going on out there? If so, has he instructed his Minister of Finance to change his policy of fighting inflation at all costs for a policy of growth and job creation so that 1.6 million Canadians unemployed today can have a decent Christmas?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Minister of Finance will be making an economic statement tomorrow. I know that once the Leader of the Opposition has listened to the statement he will want to rise in the House and, to the extent that he may disagree with the Minister of Finance, offer very clear-cut, specific alternatives if he disagrees with the statement tomorrow by the Minister of Finance.

The Leader of the Opposition mentioned some figures this morning. He may have been inadvertently selective in his references because he failed to note that the figures also indicated that the Gross Domestic Product grew by 1.4 per cent in the third quarter, which is the

fastest quarterly growth in the GDP since the spring of 1991.

There were stats this morning also indicating that domestic demand is up 5.3 per cent in the third quarter and consumer spending is up by 3.5 per cent.

Much more important, as my hon. friend knows as a former Minister of Finance, the composite leading indicator on a quarterly basis is now up 3.9 per cent in the third quarter. These are all elements that ought to encourage my hon. friend.

What would be encouraging as well for the House would be to hear a statement of some encouragement from my hon. friend along with some specifics that he may care to offer the Canadian people.

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, we made suggestions in the House, but they were always ignored by the government. According to the same study published this morning in Montreal, Quebec's main city and economic motor, 93 per cent of the companies indicated they would either lay off employees or freeze hiring during the first quarter of 1993.

Could the Prime Minister tell us whether he can tolerate the fact that 93 per cent of employers in the Montreal area are not in a position to offer a single job to hundreds of thousands of unemployed workers, in a city where the situation is now desperate?

• (1420)

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I obviously share the concerns of my hon. friend about the economic situation in Montreal. In fact, steps have already been taken and more will be done, in co-operation with the Government of Quebec and the city of Montreal, to get the economy back on track.

This morning there were also some figures that were encouraging for Quebec and Canada. The leading composite index increased by 3.9 per cent during the third quarter and investments by companies in equipment and machinery increased by 30.3 per cent. Investment growth in advanced technology was 80 per cent, which is after all very encouraging.

However, the Leader of the Opposition could help economic recovery in Montreal now by asking his party to approve immediately the bill to amend the Patent Act. This bill has created 3,000 new jobs in Montreal and attracted investment worth more than $1 billion. The bill was endorsed by Quebec's francophone universities, by McGill, by the City Council of Montreal and by the Chambers of Commerce. The Leader of the Opposition should urge his troops to immediately endorse the bill on drug patents, which would help Montreal and Quebec tremendously.

[*English*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to tell the Prime Minister that with every file we have to look at both sides of the ledger. There are a lot of poor people in Canada who will suffer a lot if the Prime Minister is not prudent in the action he wants to take.

It is very nice to be on the side of the wealthier multinationals but we have to care about the little people of Canada and we want to make sure that medicare will survive in Canada, because it is a nice way to kill it.

Yes, we favour creating jobs, but we need an economic policy that will be conducive to the creation of jobs, not fighting inflation at all costs. We are being given figures. When will the Prime Minister realize that we have not yet recuperated from the drop we have experienced in the last two years? We are not back to where we were in 1990 so we need some growth to at least get back to where we were and start to create new jobs for Canadians.

Right Hon. Brian Mulroney (Prime Minister): My hon. friend is quite right when he says that we need economic growth and here is an indication that does not come from the government. It comes from a group that is not in any way hostile to my hon. friend. I quote: "Economic recovery in Canada that will persist through most of the 1990s may already be under way, Peter Dungan of the University of Toronto based Institute for Policy Analysis told the conference on Friday. The institute's upbeat forecast calls for real Gross Domestic Product to expand 4 per cent next year, followed by an even stronger 4.6 per cent in 1994".

My hon. friend said we have to look at both sides of the middle. He is quite right. There are some encouraging signs and there are some that are less encouraging. I do not know why it is that my hon. friend always persists in looking at those that are less encouraging. My hon. friend from Newfoundland should be impressed. I hear

the Leader of the Opposition say we should not side with the multinationals. That is not what he was saying when he was on the board of directors of the Toronto-Dominion Bank.

[*Translation*]

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my question is directed to the Prime Minister. The Prime Minister likes to quote figures. According to the report of the Canadian Welfare Council, Quebec has the highest poverty rate of any Canadian province. For two years the government has been doing a snow job to please the banks. However, there are some people the Prime Minister cannot fool all the time: 1.2 million poor people in Quebec in addition to thousands of homeless people in downtown Montreal.

Will the Prime Minister and the government promise to introduce specific measures tomorrow to deal energetically with the poverty that is devastating Quebec?

Hon. Benoît Bouchard (Minister of National Health and Welfare): The government has always been as opposed to poverty as the hon. member and his party.

In the particular case of Montreal, three months ago we announced a specific measure involving $150 million in co-operation with the city of Montreal and the government.

The hon. member referred to the report of the Canadian Welfare Council. I would like to draw the hon. member's attention to the conclusions of this report. First, the committee says: "Poverty cannot be eliminated overnight. It is a lengthy process". Second, there is no easy way to deal with the causes of poverty. Saying the government should do this or that is not the answer. Third, and above all, the Council said: "This requires the co-operation of all parties, all governments, the private sector and the various organizations".

I repeat that is what we are doing and our position is that poverty cannot be tolerated. However the fact is it all takes time. While we must do everything that is necessary to be successful, we must be realistic about our goals.

[*English*]

Mr. Paul Martin (LaSalle—Émard): The minister is attempting to say that his government has the fundamentals right and the fact is it has them wrong.

This government must do much more than simply attempting to fight inflation or to push for jobless exports. The government boasts of having created jobs in the services sector. According to this report on the poverty profile by the National Council on Welfare, 40 per cent of the individuals working in those jobs that this government boasts of having created live in poverty.

When will this government admit that it cannot solve the financial deficit by creating an ever-widening human deficit? When will this government announce a change of course? Will it give the country a chance tomorrow?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I believe I would be impressed by the speech by the member if I had not heard his leader before.

For me the first answer to poverty is jobs, but the Leader of the Opposition does not want jobs created by big companies. He said before they do not want to hear about big companies and the pharmaceuticals. We want jobs and Canadians want jobs created by anybody, including the pharmaceuticals. We want jobs created by pharmaceuticals.

The member for LaSalle—Émard should tell his leader that is the way we fight poverty. I was not impressed by what was said by the Leader of the Opposition, nor were Canadians.

* * *

WATER EXPORTS

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, my question is directed to the right hon. Prime Minister who will know full well there are a number of American entrepreneurs actively promoting schemes to divert Canadian water into the United States and northern Mexico.

The Prime Minister will also be well aware that yesterday a water expert in Vancouver indicated that the Mexico-U.S.-Canada trade agreement facilitates the inter-basin transfer of water to the United States and Mexico.

My question to the right hon. Prime Minister is this. Since NAFTA explicitly exempts a number of items like raw logs and unprocessed fish, why did his government not at the same time as those negotiations were taking place make the effort to exempt fresh water so that Canadian water will not be sold to the United States or Mexico?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, let me just quote from the legislation that brought in the free trade agreement with the United States.

Article 7(1) says: "For greater certainty nothing in this act or the agreement except article 401 of the agreement" which is bottled water, "applies to water." Nothing in this act applies to water.

Article 7(2) says: "In this section, water means natural surface and groundwater in liquid, gas use or solid state but does not include water packaged as a beverage or in tanks".

An hon. member: What about Coca-Cola?

Mr. Wilson (Etobicoke Centre): Let me repeat: "Nothing in this act applies to water". It will be precisely the same provision that will be in the North American free trade agreement which my hon. friend will have a chance to consider in this House some time early in the new year.

• (1430)

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it looks as though Simon Reisman's water dream continues to this very day as we now address NAFTA.

The government refers to the water policy it introduced back in 1987. The water policy says that the government will do everything possible to make sure inter-basin water transfers will never occur.

In 1988 it introduced Bill C-156 which would have prohibited inter-basin water transfers and then refused to proceed with this legislation. It knows full well that NAFTA and FTA will take precedence over that piece of enabling legislation.

My question to the hon. minister is: Will this government now show its good intention and reintroduce this legislation to prohibit water transfers? We will expedite this legislation to ensure that it passes before Christmas to give Canadians that assurance.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend talks about the NAFTA taking precedence. Let me repeat what the FTA says: "And it will also apply to the North American free trade agreement". Nothing in this act or the agreement applies to water, water being defined as natural surface and groundwater.

My hon. friend and some of the people who support him in his constituency have something in their mind that says we are going to export water or we are going to allow the export of large bodies of water. If my hon. friend could show where this has happened over the course of the last four years, I would be interested in knowing because it is counter to the policies of this government. If this provision says nothing in the free trade agreement would apply to water, could my hon. friend tell us how the free trade agreement would force us to authorize the export of water which would be counter to the policies of this government?

Please, Mr. Speaker, could you ask the hon. member to help us out here?

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, the minister lives up to the old adage you can lead a minister to water but you cannot make him think.

We have heard assurances from this government before, like the sacred trust of social programs and that Air Canada would never be sold. We have heard these things before.

However I am going to give my friend the benefit of the doubt. I am going to ask a question of the Minister for International Trade. President-elect Clinton has indicated that he is prepared to open up a number of parallel discussions to NAFTA. In other words, he wants to have some add-ons to the NAFTA discussions.

Will the Minister for International Trade bring comfort to Canadians from coast to coast to coast that when the opportunity presents itself to have add-ons to NAFTA he will ensure that water becomes an add-on and it will clearly be exempt from this trade deal?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, it sounds like my hon. friend has water on the brain.

Quite frankly my hon. friend is saying: let us put water on the table, let us negotiate water. For a number of years now my hon. friend has said: "Don't put the auto pact on the table, don't put culture on the table, don't put social programs on the table". Now he is saying: "Let's negotiate water".

Where is the NDP coming from?

* * *

AIDS

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, my question is for the Minister of National Health and Welfare.

This morning the minister said he would soon make an announcement to renew the national AIDS strategy, but he knows that current federal funding dries up in four months. Meanwhile AIDS groups from across the country are in crisis.

Why can the minister not make this announcement today? Is someone in cabinet opposed to it?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, the AIDS strategy will be over by April 1. At this time we are looking at the program. I made a commitment to renew the strategy and we will.

However, we have to consider the assessment of what we have done and what we intend to do. From that perspective, as soon as it is possible to make the announcement I will but it certainly will not be today.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, the government must recognize there is a crisis today. AIDS has already killed over 3,000 Canadians and 30,000 more are infected with the virus.

Last November 13 front-line AIDS organizations asked this minister for a firm commitment of $55 million a year for the next five years. Will the minister announce today that his government is ready to allocate this $55 million immediately?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, first, I said that I would not make an announcement today and I will not.

Second, the strategy is ready now. April 1993 is just in four or five months so we still have the money to run the strategy until April 1993.

Third, in the meantime if my friend wants to move Bill C-91 forward we will help other people.

* * *

PHARMACEUTICALS

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, reports today indicate that the elimination of compulsory drug licensing by this government will cost the Canadian health care system, consumers and provincial governments in excess of $7 billion over the next few years.

How can the Minister of National Health and Welfare possibly stay in cabinet and support a $7 billion gift for multinational drug companies at the very time that Canada's health care system is falling apart?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, first, the health care system is not falling apart. The member knows that very well. He knows that our health care system is considered one of the best in the world.

Second, he still has phoney figures; $7 billion is lunacy. It is wrong. I have already said that when we talk about the cost of drugs we have to consider the number of prescriptions, of beneficiaries, and the cost of new drugs.

It has nothing to do with Bill C-91. Once again it is just because opposition members, as they were against Bill C-22, are against Bill C-91. In the meantime, a lot of the jobs his leader talked about are not being created because they are stubbornly opposed to a bill that will get Canadians working.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I have a supplementary question for the same minister.

The lunacy in all this are the policies this government has been pursuing for the last number of years that the Canadian public has had to pay for.

The retroactivity alone of this policy bears a price tag of over $2 billion, with over half of that $2 billion going to one multinational drug company, Merck—Frosst. When will the government stop following the agenda dictated by big multinational drug companies and start following the agenda dictated by the Canadian consumer

and abandon this obscene and objectionable piece of legislation?

[*Translation*]

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, it is amazing the Liberal party should consistently object to jobs being created by the big corporations. While the Leader of the Opposition keeps talking about creating jobs, members of his party are saying they are opposed to those jobs being created by the big corporations.

I think they should try to be consistent and tell Quebecers, tell the people of Montreal today that they are against investment by big companies in Quebec. Tell them right now!

* * *

[*English*]

AIRLINE INDUSTRY

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I have had the opportunity to review the letter signed by the Minister of Transport to Rhys Eyton, Chairman, President and CEO of PWA corporation, along with the government loan facility term sheet which outlines the conditions the government has demanded of Canadian in return for the initial $50 million assistance.

Through you, Mr. Speaker, to the Minister of State for Transport, this document seems to suggest a government that does not believe in intervention has intervened in a number of weird and wonderful ways, including a veto over the security of assets, sale of any equipment or assets and the amalgamation, merger or consolidation of the company with a non-partner. The one area the government did not ask for a veto on is the proposal by American Airlines to acquire 40 per cent of Canadian Airlines.

• (1440)

Why did the government choose not to ask for a say in this very important strategic decision by PWA?

Hon. Shirley Martin (Minister of State (Transport)): Mr. Speaker, indeed there were conditions along with the loan to make sure that we as a government protected the taxpayers' investment in this particular situation.

As far as the agreement with AMR is concerned, anything that comes forward on that would first have to go to the National Transportation Agency to see whether or not it would be acceptable.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I have a supplementary question. At some point in time the Government of Canada must take responsibility for the decisions or the future of the industry.

The other item that was included in this document makes it very clear that the Government of Canada wants Canadian Airlines and Air Canada to meet with the government to try to find a long-term solution to the crisis that affects the industry.

Has a date been set for that meeting? Could the minister explain to this House and to the people of Canada what proposal will be on the table from the Government of Canada to the two carriers for the rationalization of the industry?

Hon. Shirley Martin (Minister of State (Transport)): Mr. Speaker, no, a date has not been set on that particular meeting. The discussions that will take place will look for input from the airlines themselves to see what suggestions they have as far as the industry and the growth of it are concerned.

* * *

CANADIAN NATIONAL

Ms. Mary Clancy (Halifax): Mr. Speaker, CN has announced that it will lay off 10,000 workers. This means that 70 per cent of CN workers in Atlantic Canada will be walking the unemployment lines in the near future.

What if anything is the Prime Minister prepared to do to stop the haemorrhaging of jobs in Atlantic Canada?

Hon. Shirley Martin (Minister of State (Transport)): Madam Speaker, the announcement of the loss of 10,000 jobs came from a discussion that CN has had with its employees.

CN is making decisions for their future. It is doing what any good management team should do, and that is discussing it with the employees first.

Ms. Mary Clancy (Halifax): Mr. Speaker, I am sure that CN's employees did not suggest that it cut 10,000 jobs. Maybe it is time for the government to make some suggestions in its place. These cuts are the result of recession and the results of unfair taxes.

CP and CN Rail are taxed 54 per cent more than U.S. carriers. Deregulation has devastated the Atlantic region.

What specific fiscal and regulatory proposals is the Prime Minister prepared to make in order to level the playing field for once?

Hon. Shirley Martin (Minister of State (Transport)): Mr. Speaker, work has been taking place to help level the playing field in the trucking industry, the air industry and the rail industry.

If the hon. member will look at the tax structure, she will find that there are far more taxes municipally and provincially than there are federally.

* * *

AIRLINE INDUSTRY

Mr. John Manley (Ottawa South): Mr. Speaker, now that the media have made available to us a copy of the terms of the government financial assistance to Canadian Airlines, we know for a fact that the government sought and obtained the agreement of PWA not to seek any further financial assistance from the Government of Canada.

My question therefore is: Will the government now advise the House of the basis upon which the Minister of Justice last week promised employees of Canadian Airlines International that more loan guarantees may be forthcoming? What exactly is this government's airline policy?

Hon. Shirley Martin (Minister of State (Transport)): Mr. Speaker, PWA and its hard working employees would have a much easier time of making their company grow and be successful if they had more co-operation and less looking for nefarious plots on behalf of the work that is trying to be done to help the employees and the company.

Mr. John Manley (Ottawa South): Mr. Speaker, the terms of the loan agreement also provide that the government will be entering into further discussions with the lender to consider alternatives to address financial difficulties on the part of PWA as well as the meetings with Air Canada that were previously referred to.

I would like the government to be clear on one thing. Is it that the Government of Canada believes the possible merger of the two national airlines is the best solution to the airline problem that confronts Canadians?

Hon. Shirley Martin (Minister of State (Transport)): Mr. Speaker, the work that we are doing is to assist PWA and its employees who are trying to help the company. We are working at this time with PWA.

* * *

PEARSON INTERNATIONAL AIRPORT

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, my question is for the Minister of State for the Environment. The minister of state will know that over a year has passed since the environmental hearings concerning the expansion at Pearson International Airport.

The minister will know that the report has not been out. There is at least $1.6 billion worth of work in needed construction, with construction workers out of work in Toronto, that could be done now if that report was available.

Will the minister do something to get the report out as soon as possible? Will the minister, while she is at it, organize a new statute to alter the environmental rules so that environmental hearings can be heard and reports can be out from those hearings in a month after the hearings are complete?

Hon. Pauline Browes (Minister of State (Environment)): Mr. Speaker, the environmental assessment process indeed is sometimes a long one in order to have a comprehensive review, to give the public an opportunity to make submissions and to allow for the gathering of information and the panel receives that information.

I am pleased to report to the member that the review on the Toronto international airport assessment is in our hands now. It is in the process of being translated and will be available to the member and to the House in the next few days.

* * *

AIDS

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, my question is for the Minister of National Health and Welfare which follows up earlier questions today on World AIDS Day. It is less than four months until federal funding for AIDS runs out.

Unfortunately, the uncertainty about continued funding for AIDS is already having a very adverse impact, particularly on community-based groups funded under ACAP.

In view of the fact that we learned today that the number of people with HIV and AIDS is far higher than previously estimated, why has this government still not made a commitment, still not responded to the urgent call for $55 million a year over five years for the Canadian AIDS Society, the Canadian HIV Research Foundation, the Canadian Public Health Association and the Canadian Hemophilia Society? Why this silence when too often silence equals death?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I said before and I say again that we will continue to support the national AIDS strategy after April 1. That has nothing to do with the problem we face today.

By the way, ACAP has been increased by $7 million to help community organizations to be able to fight against AIDS.

Canadians should be aware that it is a collective action by all Canadians against AIDS. We will once again support the strategy, but it has nothing to do in terms of what happens today because the strategy runs until April 1. The money is there and we are doing what was committed to be done.

I do not understand why the hon. member wants a commitment today about something which will run until April 1.

* * *

SEXUAL ORIENTATION

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, Canadians are wondering about the morality of a government that can find $4 billion for attack helicopters but cannot find the basic funds necessary in the battle against AIDS.

My supplementary question is for the Minister of Justice. The minister will know that gay men living with AIDS have to confront not only HIV, but too often also the virus of discrimination, fear and violence.

In light of this, and in light of the recent Ontario Court of Appeal decision in Haig and Birch, why has this minister and this government betrayed the promise that was made to amend the Canadian Human Rights Act to prohibit discrimination based on sexual orientation?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, the commitment of the Government of Canada in 1986 was to do everything in its power to remove sexual orientation as grounds for discrimination in areas of federal jurisdiction.

That has in fact been accomplished, as a result of the decision in Haig, and it was our conscious decision not to appeal Haig, and the changes made in the policy of the Department of National Defence. I have every intention of moving ahead with this in terms of legislative changes. As a result of some of the events over the summer, in particular the Leshner decision in Ontario and Ontario's decision not to appeal it, I want to ensure that legislation I bring forward to this House will be consistent with the charter.

• (1450)

I believe there is a matter before the Supreme Court of Canada that will give the government the guidance it needs in order that I may be assured I have done my duty in terms of the legislation I bring forward.

* * *

SMALL BUSINESS

Mr. Garth Turner (Halton—Peel): My question is directed to the minister responsible for small business.

It does not matter how low interest rates are or how much the government encourages small businesses to expand and create jobs if the country's banks will not make loans. Entrepreneurs in my riding are complaining bitterly that bankers will not take a risk on them. I think small business needs action now.

What is the government going to do to make the bankers get off their assets and make more loans to small business?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, if I thought it would help I would give the banks a swift kick in their assets. Instead, I have passed on the very message the hon. member passed on to the banks just two weeks ago.

The Canadian Bankers Association and the heads of the major chartered banks reported to me that there is a slight increase in loans to small businesses and that they have frozen service charges. That is not enough. There has to be a major expansion of credit.

The Federal Business Development Bank has increased its loan levels by 16 per cent during this past year. We are going to bring in an improved Small Businesses Loans Act, as the House knows, to do our part. All of our regional agencies are also helping small businesses. Those include ACOA, WD, FEDNOR, the Aboriginal Economic Programs and our program in Quebec. We will continue to press forward with all of those programs.

* * *

WESTRAY MINE DISASTER

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, yesterday I tabled in the House a letter signed by a group of Westray draggermen and the executive committee of the families of the deceased Westray miners, personally appealing to the Prime Minister to establish a federal inquiry into the Westray mine disaster.

Will the Prime Minister today demonstrate compassion and a sense of justice and rise in this House to call for a parliamentary inquiry into the events that led to this tragic occurrence?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, the hon. member knows that this government is concerned with the plight of miners, not only those of Westray but also those of Devco.

We announced yesterday, by the way, an acceleration of the unemployment insurance payments to the Devco miners laid off because of the natural disaster there.

As for Westray, the standing committee on industry has taken this request and, as is its privilege and responsibility has made a decision on the hon. member's question.

Mr. David Dingwall (Cape Breton—East Richmond): My supplementary is to the Prime Minister.

I have in my hand, which I am prepared to table, a letter from the wife of a deceased miner, and it reads:

> I was astounded to learn just how much financial involvement this government had in the whole affair, but, in retrospect, it explains why there has been such a deliberate attempt to quash any inquiry into the whole Westray disaster and the further decision not to investigate the financial hugger-mugger which took place.

I wish to table that, Mr. Speaker, for the House.

I ask the Prime Minister again, on the basis of compassion and fairness to those individuals, will he not do the honourable thing and order a parliamentary inquiry into this tragic occurrence?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I know that my hon. friend will want to state to the extent that he has inadvertently misled the House, that the inquiry was quashed not by any degree of involvement by any political party or any government, but by the Nova Scotia Court of Appeal. As I understand it, the decision was rendered by the chief justice of the Nova Scotia Court of Appeal.

My hon. friend can correct me if I am in error, but that decision is now being appealed by the Nova Scotia government. To interfere in any way with this appellate decision would be a very serious violation of the judicial process and is not one to which this government would subscribe.

That being said, we of course want to work very closely with the Government of Nova Scotia and all appropriate authorities to ensure that the tragic circumstances that surrounded the deaths at Westray be brought to full public attention and examination by an appropriate judicial inquiry.

That has been our position from the very beginning and the position of this government will be to a full and complete co-operation with the public authorities in Nova Scotia in respect of the examination of this very important matter.

Mr. Howard Crosby (Halifax West): Mr. Speaker, my understanding of the decision of the Supreme Court of Canada and the constitutional proposition is that nobody, not the government in Nova Scotia and not the Government of Canada, has any right to put persons on trial in anything but a criminal law forum. That was the

thrust of the decision which the member brings to the attention of Parliament.

Is the Government of Canada willing to disclose to any vested authority in whatever forum is available its position on the matter of Westray mines, what our involvement was and what role we played? Have we anything to hide?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the answer to this very pertinent and important question by the hon. member for Halifax West is in the affirmative.

* * *

UNITED NATIONS PEACEKEEPING FORCES

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I have a question for the Prime Minister.

As he knows, tomorrow the UN Security Council will be considering a proposal by the secretary-general to authorize the use of force and combat forces in Somalia, including the possibility of some 30,000 U.S. combat personnel. This development raises serious questions about the mandate of existing UN forces and the state and condition of the NGOs in that area.

What is our own government's position in relation to these proposals to begin to use combat forces in Somalia? Do we envision that our own troops who are being sent this week to Somalia will be part of that combat force? Will the Prime Minister assure this House that there will be a full parliamentary debate before any decision of that kind is taken?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, our position is to support the secretary-general of the United Nations and the Security Council in the execution of its mandate. Governments such as the Government of Canada have been asked to be helpful both in terms of supplying food and supplying peacekeeping. We have done both.

Now the secretary-general is urging a new course of action upon the members of the Security Council. We will see the results of this and listen and consult with our friends and allies and make a determination of course in consultation with members of the House of Commons.

We will be happy to respond to any questions and accept any suggestions that my hon. friend has with regard to any engagement of our military assets in any way outside of the country.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I appreciate the Prime Minister's willingness to call Parliament back as long as it is clearly understood that there must be an open debate.

The Minister of National Defence said last week that he is contemplating a substantial reduction in Canadian commitments to UN peacekeeping because of a lack of resources.

I want to ask the Prime Minister: In tomorrow's economic statement, can we be assured that if necessary, the Government of Canada will re-allocate and re-prioritize the resources necessary so that Canada can continue to maintain its international obligation as a peacekeeper? It is a very important commitment. Can we make sure that commitment will continue?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, first of all I just want to indicate to my hon. friend that I did not say that we would call the House back in any way. I never said that and I want to set the record straight for my hon. friend.

In regard to peacekeeping, Canada has been involved in every peacekeeping initiative undertaken by the United Nations with one quite small exception. Our contribution to the United Nations in peacekeeping and multilateral associations is in the neighbourhood of $1 billion a year. There is not another country in the world that in any way matches our per capita basis of this very important record.

On behalf of Canadians, we have to ask some questions in regard to the duration of some undertakings. In one case, the Canadian forces have been engaged for almost 30 years in the same spot, whereas other places around the world are crying out for assistance from Canada.

We plan to maintain a very vigorous and important role in peacekeeping under the aegis and guidance of the United Nations. We do have questions we would be happy to discuss with the House with regard to the duration once troops have been over.

• (1500)

IMITREX

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, my question is for the minister of health and welfare.

Under considerable pressure from the manufacturer, the migraine drug Imitrex was approved by health and welfare despite the concerns of its chief expert about its possible side effects. Now the drug has been shown to cause spasms, chest pains, and angina-like symptoms. The whole situation stinks of government interference.

My question to the minister is: Who does this government represent, the drug companies who get what they want, or the people the government is supposed to protect?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, that decision has nothing to do with the company. That drug is used in over 20 countries in the world.

When the drug was given approval under the system, the side effects were well known and were on the monograph. Instructions to physicians indicated very well the side effects for people with heart disease and asthma.

It was recommended very specifically to follow the directions and the guidelines. At the same time, the drug is considered to be the best drug in the world for the treatment of migraine. For that reason the drug is on the market in Canada. When cases were reported, the department again directed physicians to follow the instructions in the monograph of the drug.

Everything has been done according to the policy of the department to ensure that what he calls the side effects were known by those who make the decisions and the physicians.

* * *

PRESENCE IN GALLERY

Mr. Speaker: I draw the attention of hon. members to the presence in the gallery of the Hon. David Zirnhelt, Minister of Economic Development, Small Business and Trade for the province of British Columbia.

Some hon. members: Hear, hear.

* * *

PRIVILEGE

CANADIAN AIRLINES

Mr. John Manley (Ottawa South): Mr. Speaker, I rise on a question of privilege this afternoon arising out of the fact that last week, on November 26, in Question Period I raised a question with respect to the government's financial assistance announced to Canadian Airlines.

I felt it was important that the government disclose the conditions that were imposed upon the loan because this contributed both to the stewardship of public money and to an indication of perhaps what the government's airline policy truly was.

I asked the minister, as recorded at page 14106 of *Hansard*, why the government had not tabled a copy of the loan agreement in the House of Commons. The Minister of Transport, in addition to other comments, said:

> In order to get access to mathematics and figures of the company, we entered into a confidential agreement, which we will not divulge until the appropriate time.

I did not make any further request for tabling of the document, although I did ask questions based on media reports as to what was in the agreement.

This morning a member of the media delivered to me a copy of Privy Council Order 1992-2447 which I was told was given, not leaked, openly to the media, attaching to it the government loan facility term sheet disclosing all of the terms and conditions attached to a $15 million bridge loan by the Government of Canada to PWA Corporation.

I understood and appreciated the reasons the ministers gave for not disclosing the details of the loan. However, I feel it is in breach of the privileges that we have as members of Parliament when we ask a straightforward question, receive an answer such as that that was given, and then discover that the very information we were seeking in this House with respect to the disposition of public money was made available to the media quietly and outside this Chamber, which I feel is at least an abuse of our privileges and at most a failure to—

Mr. Andre: I rise on a point of order. It was obvious in the first couple of sentences it is not a point of privilege since in no way, shape or form was the hon. member

prevented from fulfilling his duties as a member of Parliament.

Mr. Speaker: The hon. government House leader is rising as a consequence of an intervention brought by the hon. member for Ottawa South. The argument that he is about to make is it is not a question of privilege. It is certainly an argument the government House leader is open to make.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, as I indicated, clearly, if the hon. member for Ottawa South will examine Beauchesne he will see that in respect of Question Period there is no obligation on the part of the government to answer a question at all; none whatsoever.

Mr. Kilgour: Come on, Harvie, get serious.

An hon. member: Have you ever been in court?

Mr. Andre: The hon. member for Edmonton Southeast says get serious. The hon. member asks if I have ever been in court. I would be laughed out. This is the House of Commons and Beauchesne is the rule. Read the rules. It is very clear the rules of Question Period do not require—apparently the members of the Liberal Party are—

Mr. Speaker: Just a moment. A question of privilege has been raised by a member of the Official Opposition. I have listened to it.

An hon. member: He has not finished.

Mr. Speaker: I am sorry if I have made an error. I thought he had finished. I certainly listened to the argument. I gave the floor to the hon. government House leader and now I will hear the end of his argument.

Mr. Andre: Mr. Speaker, clearly there is no breach of privilege since the rules of privilege are very clear. A member's privileges are breached when he or she is prevented from fulfilling their responsibilities as a member in terms of coming into the House, expressing their points of view and so on.

In no way, shape or form did any actions of the Minister of Transport prevent the hon. member from asking his questions, from standing up in the House today and making his point, and indeed repeating his point by virtue of a supposed point of privilege. He has not had his privileges abused.

In terms of whether there is an abuse of order in respect of Question Period, I humbly submit that an examination of Beauchesne will show in fact there is no obligation on the part of a minister to even answer a question, if in fact you examine the precedents.

The member for Edmonton Southeast keeps interrupting. I would suggest he read Beauchesne and he will see the accuracy of what I just said.

Moreover, there certainly is nothing to prevent the Minister of Transport or his officials from issuing any document they choose to issue at any time they choose to issue it. It is suggested that somehow the issuance of that document which apparently was issued by officials of transport—I am not sure of that or not—is somehow a breach of the member's privileges. I think a simple fair examination of those facts will show that in no way, shape or form have the hon. member's privileges been breached in this situation.

Mr. Speaker: The hon. member for Ottawa South is indicating he had not finished his argument. If there is something I should hear perhaps he could proceed but as a matter of fact I was rising ready to rule. I can do so but if the hon. member has something which he feels is absolutely essential for the Chair to hear, I will hear it very briefly.

Mr. Manley: Mr. Speaker, I did sit down because the minister was shouting point of order.

The issue that I sought to raise is simply this. In order to carry out my duties as a critic, in order to hold the government accountable for what it is doing within this portfolio, it is necessary to assume that where answers are given, not where they are declined to be given, but where answers are given that we can rely on those answers.

• (1510)

In this case, the minister said that there was a reason for not releasing the document. He proceeded to do it, really forcing us to work over the course of the days between then and now in a kind of darkness about what issues exactly were out there and how to present them on behalf of the people of Canada.

That simply is the point.

SPEAKER'S RULING

Mr. Speaker: I understand the position of the hon. member, but I want to remind the House that privilege is properly raised only when something has happened that makes it impossible or nearly impossible to carry out the obligations that a member has as a member of this House.

The hon. member may have a grievance. He may have something that he wishes to complain about, but I have to say that it is not a question of privilege. For that matter, I am not even sure that it is a point of order. It is a matter that can be pursued in the House during Question Period as the hon. member did today. However, it is not a question of privilege.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—TRADE

The House resumed consideration of the motion of Mr. Riis (p. 14316); and the amendment of Mr. MacLaren (p. 14331).

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, in rising to my feet in this debate I was reminded when listening to the last several speeches of going to Tokyo a few years ago and watching a sumo wrestling match. There were two gargantuan wrestlers in a small ring almost immobilized, grappling each other in some kind of death hug; no movement, no change, no flexibility, just total and complete paralysis and immobilization.

Listening to the representatives of the government and the New Democratic Party, they could be our equivalents of parliamentary sumo wrestlers. There is no ability to provide any change, adaptation or ability to look at the conditions as they are. We are grasped in a death hug, sweating and hugging with one another in the hope that one will expire out of sheer exhaustion.

In listening to the speech that we heard before the break from the secretary of state for minor financial affairs when he tried to defend NAFTA, he used the same lexicon that his counterparts to the south and the Republican Party used in the last election. Stay the course. Things are great, things are looking up. It could not be better. "Look at the figures", he says. "Look at how wonderful we are doing."

Never did he take any sense of responsibility for the hundreds of files in the manufacturing jobs. There is deindustrialization going on. There was a report prepared by Professor Conklin of the University of Western Ontario that we raised in the House of Commons yesterday which quoted a series of senior representatives of corporations in Canada saying exactly that numbers of jobs were being disbanded in this country. They were moving away, never to be seen again.

Yet, there was no acknowledgement whatsoever in the remarks of that hon. gentleman that there was a problem there, a problem that was predictable because of the harmonization, because of the change in terms of the subsidiary plants or whatever it may be.

Take the Minister of Finance who was one of the authors of the original free trade agreement rushing to Washington to sign on an emergency energy agreement to get the Americans to sign on the dotted line. He said: "Look, things are looking up. Our exports are great".

The real test of the health of a nation's economic relations with another country is not its merchandising trade figures, it is its current account balance. It is the full change of money, and goods and services between countries. Look what has happened.

In 1984, we had a current account balance of plus $6.7 billion. We were on the plus side of the ledger. That includes trade, tourism, dividends, management fees and all the rest of it. In 1992, in the first six months it is minus $3 billion in the current account deficit of Canada. One of the reasons we are facing the whipsaw effect of having to buy our way through high interest rates to preserve the stability of our dollar and other exchange rates is because of haemorrhaging in our current account deficit.

Once again the government is saying that things are looking up. Things are great. Could not be better. If you are running this kind of deficit in your current account, you are making yourself a captive to foreign financial interests and you have lost control of your own fiscal and monetary policies.

How can we accept the glowing, rose-coloured picture painted by ministers opposite when we know one of the contributing reasons is a trade agreement in which we no longer have the power to set some rules about those dividends and under NAFTA it becomes even worse. We will no longer be able to set any conditions on the transfer of management fees, never mind inter-corporate transfers. Management fees are now part of the NAFTA agreement. A problem we pointed out under the foreign investment provisions of the FTA has been enhanced and enlarged under NAFTA. That becomes a good argument for renegotiating the agreement.

My colleague and others have already spoken about the other problems dealing with the NAFTA that provide serious restrictions and handicaps for this country. For a moment let us turn to our friends in the New Democratic Party and the motion they brought forward.

If the motion had said that this House is not in agreement with this North American free trade agreement, we might have had a fair and honest debate because we would be dealing with a very particular, very precise set of arrangements made between the three countries. However, what did they say? This House is being asked to support a motion that opposes any North American free trade agreement. It is the ultimate statement of protectionism. This ultimate statement is saying, we will have no truck or trade with anybody, anytime, anywhere on any topic.

Even if tomorrow the United States and Mexico through some divine intervention came forward and said: We have made a big mistake with NAFTA. We are going to offer to buy Canadian products at premium value. One does not expect it to happen but it could. The New Democratic Party would say: "No, no agreements of any kind".

In fact, under the provisions of this resolution the auto pact agreement which was negotiated back in the 1960s and fueled a major expansion and growth of the auto parts trade and the automobile trade throughout Canada would not be eligible for negotiation. We could not provide any kind of trade agreement whatsoever. What total nonsense and irresponsibility that they would preclude, prohibit any negotiation of any agreement dealing with any measure whatsoever. Even the kind of sectoral arrangements such as auto pact which have benefited the country would be precluded under this resolution.

Mr. Parker: Under your version.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, under my version? The fact is it is up for interpretation and I read the words specifically. It says any free trade agreement, not this free trade agreement, not free trade agreements dealing with this or that topic. It says any free trade agreement.

It puts Canadians into some great confusion about the standing of the New Democratic Party. Previously their leader in an interview with *The Financial Post* said on the matter of the original free trade agreement that we would have to sit down and talk to the Americans and see if something could be done about it. Representatives of the party previously talked about the need for improved, expanded agreements on automobiles.

All of a sudden there has been a fundamental reversal of New Democratic Party policy. Members of that party have always tried to say they are not protectionist. The cloak has been taken off. The mantle has disappeared. We now see them exposed in the cold, glaring light of day. They are the ultimate protectionists, the ultimate fortress builders. They do not want to trade with anybody.

• (1520)

We are now faced with dogmatism on both sides. We have a form of economic determinism from the right and from the left. One side is saying that the free trade agreement will lead us into Valhalla, into the land of milk and honey. The other side, the New Democrats, are saying that we can never, ever contemplate in any way, shape or form any kind of trade agreement whether it is in our good interest or not.

Thankfully I represent a party that has a pragmatic point of view, a practical point of view, that talks about opening up trade opportunities, which over the tenure of its various governments has been responsible through the GATT for renegotiating a whole series of tariff reductions and, at the same time, being able to protect vital Canadian interests which allow Canada to be able to put forward its own industrial policies.

Mr. Parker: Sit on the fence, Lloyd.

Mr. Axworthy (Winnipeg South Centre): I have just heard a New Democratic member, in his benign wisdom, say this is sitting on the fence. Pragmatism is not a quality that member obviously espouses. Using common sense is something the New Democratic Party has now forgone. "Why should we consider any trade agreement and why should we be looking at the opportunity to bring tariffs down in a GATT agreement", they say. No, no, they say nothing at all, and do not deal with the problem.

Somehow we are an island unto ourselves, turning John Dunn on his head, poor fellow. They are back to the sort of fireproof house that Canadians thought they had back in the 1930s when they created one of the great depressions and when we were putting up walls, not tearing them down.

The clear alternative that we have been talking about in this House of Commons and at the forums and platforms across Canada is that we need neither the Tory position of a dogmatic, fixed commitment to continental trade policies nor the fortress-like protectionism of the New Democratic Party. What we need is a good, solid international trade agreement under the GATT. Do you know something, Mr. Speaker, we are going to get it.

We are going to have an international trade agreement based upon multilateral principles that will supersede anything that is being offered under NAFTA. It will make all those trade agreements that the Tories negotiated, at enormous costs to this country and at enormous pain and suffering to countless thousands of workers, totally irrelevant because all of the kinds of proposals that they say are benefits of a trade agreement we can achieve under the GATT.

We can get reductions of tariffs. We can get access to markets. We can get a subsidy code that sets out a fair, broad-based, international set of rules. We can get a dispute settlement mechanism that is substantially strengthened under the GATT which will allow us to have resolution of trade conflicts, as we should have done years before with softwood lumber and other issues. It will allow us to pursue compulsory licensing if that is the choice of the Canadian Parliament because the GATT allows for exceptions. It will allow us in cases dealing with agricultural products to find ways of protecting our farmers which we cannot do under the NAFTA agreement.

It seems to me that when it comes down to a choice, and that is what Canadians are going to be contemplating in the few months in the future, then they want a party that is based upon idealism without illusion, not illusion without idealism, as we find in the other two parties. They want to see a party that understands that a country like Canada, which bases so much of its growth on international trade, must be constantly on the lookout for new trading opportunities, for reducing barriers, for getting rules in place but, at the same time, for preserving and protecting its own interests.

Experience and history have shown that the best and most effective way of achieving that is to have new and improved, constantly evolving international trade agreements. We have supported that. We said that in 1988 when the Prime Minister and his friends were poisoning the airwaves with their ads saying there is no alternative to the free trade agreement. The Liberals were offering an alternative. We said, put the emphasis for negotiation on a multilateral trade agreement. We could not compete with the enormous weight of money that went into that program.

Mr. MacLaren: The NDP has no policy at all.

Mr. Axworthy (Winnipeg South Centre): My colleague has said that the members of the NDP have no policy at all. No, no, they have a policy. We now see it in the resolution. Let us not have any trade agreements, they say, none whatsoever, no trade agreements, no truck or trade.

Frankly, in saying that, is it not a curiosity that the great friend and benefactor of the New Democratic Party, the president of the Canadian Labour Congress, Bob White, who was for many years the president of the CAW in Canada, the auto workers, used to laud to the skies the advantages of an auto sector agreement in North America as being one of the stimulants for growth?

Now his own party, his own acolytes are now rejecting him. Where is Bob White going to go after today? Who is he going to be able to adhere to when his own people have rejected what he has been preaching as a gospel for the last 30 or 40 years?

I must say that I sympathize with Bob White because I certainly would not want to be represented by that hoard of protectionists sitting over in the rump corner to the left.

I say to Bob, we are always open for discussion. I am not saying we are going to have an agreement, but at least we are not like the NDP. We do not reject agreements out of hand. We will negotiate and that has been our position.

I have listened to the member for Esquimalt—Juan de Fuca, who is a very highly regarded member of Parliament, the former premier of British Columbia, but when we talk to him about negotiation, he goes silly. He goes into a catatonic fit as if somehow negotiation has turned into an awful word; that somehow the idea of being able to sit down with trading partners and working out mutual, agreeable common interests—

An hon. member: Give it away.

Mr. Axworthy (Winnipeg South Centre): They say give it away. No. There is a difference. The New Democratic Party is not only protectionist, it is defeatist. There is a feeling it can never go to the table. It is no wonder that poor Bob White is about to reject them, because they do not even understand the basic principle of collective bargaining; that you go to the table and you negotiate and you find a mutual basis of interest and come to an agreement.

If it works in collective bargaining between labour and business, why would it not work in working out trade agreements? But no. Somehow the New Democratic Party has been captured and I know what the disease is. I know what strange virus it is. It is called 14 per cent. It is more potent than the Asian flu. It really makes your knees buckle and your stomach turn queezy when you think that you are running at 14 per cent. What do you do? You go to the barricades and you raise the flag and say: "No truck or trade with the Yankees; no truck or trade with the Mexicans; no truck or trade with the world. We will go it alone". Except their own workers will not be going with them. The members of their own trade unions who have based themselves on the idea that growth industries in Canada depend upon proper, good, effective trade arrangements will not be with them.

The case I make to you, Mr. Speaker, is that Canadians do have a clear, unmistakable alternative. They can reject the dogmatisms of the left and the right. They can get rid of the extremities and begin to look at how we can rebuild this country based upon good, serious, practical trade policies which look toward finding agreements on a multilateral basis; that we can look forward to having a GATT agreement that supersedes the FTA and NAFTA and makes much of this kind of explosive debate that has rocked this country from one end to the other irrelevant.

We can begin working within that large international set of agreements on common codes, common dispute settlement mechanisms and work to define our own industrial strategy, our own economic policies and use it in the way that the GATT is made to be used, which is to allow countries to formulate and shape economic and domestic policies that suit their interests, that suit their geography, that suit their character, but at the same time understand that we are all part of a global economy; that we are all in mother ship earth; that we all share a prosperity based upon international trade.

• (1530)

That is going to be the option and choice Canadians will have in a few short months, as soon as the Prime Minister gets the courage to end his own veil of tears. Then we can come down and say to Canadians: "Let us come down to a trade policy that really seeks to open up Canadian opportunities to the world, based upon a common set of rules where nations large and small have equal rights within that agreement that is not dominated by one or two countries".

That has been a principle which has served this country well since the end of the Second World War when we helped to build the economic international framework. It has served us well generation after generation as we have brought tariffs down. We fought and we have defended Canadian trade interests.

So I say to you, Mr. Speaker, and I thank you mightily for your patience in hearing me out, that the option and choice Canadians have is a real one, a common sense one, a practical one. Thank goodness it will be given that choice.

That means when the time comes, when people put their ballots in the box, we will see whether they choose to once again be seized by the entertaining spectacle of two sumo wrestlers from the left and the right grappling in a death hug, squeezing the life-blood out of this country or whether they choose a new style, a new approach to trade, one based upon experience and history that will work in terms of what is real and serious to help Canadians get jobs. That is having an international system of trade from which we all benefit.

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, I just got the tail-end of the hon. member's peroration. I heard him talk about Asian flu. I heard him talk about real policy. I heard him talk about sumo wrestlers. I heard him talk about everything except the North American free trade agreement and the Canada–U.S. Free Trade Agreement.

He implied that our party was opposed to multilateral free trade, but I am sure I heard him say that GATT ought to have supersedence over the free trade agreement. I suppose he also means that with respect to the North American free trade agreement. I suppose that means that neither of them really ought to exist if they are going to renegotiate them.

I just have no idea where this man is going. Probably he is not going anywhere because he is doing that little dance to try to figure out which side he is on in the Liberal Party. There are those among that party who are opposed to the free trade agreement dancing on one foot and then there are those such as the hon. member here in the front seat. Actually, he is dancing on the right foot and the others are dancing on the left foot. The Leader of the Official Opposition looks like Muhammad Ali trying to figure out which punch to throw and cannot make a decision.

Where does the Liberal Party stand? It sounds like the Liberal Party is a mat under those two sumo wrestlers. I do not know. But it was about as empty a cloud of rhetoric as I have ever heard.

The hon. member's party talks about renegotiating the North American free trade agreement. In terms of what specifics? How is that going to be advantageous to us over what he has said in his speech, the supersedence of multilateral agreements such as GATT? Where does his party stand on the North American free trade agreement? What would it change with respect to that in renegotiating it?

How does the hon. member's party expect that anybody is going to understand what it expects, actually? Would he tell us what he expects will be accomplished through that renegotiation? On what basis does the hon. member think the Americans will agree to it not to speak of the Mexicans?

Let us leave sumo wrestlers alone. Let us leave Asian flu alone and all of those other things that he talked about so eloquently. Let us hear about the Liberal position.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, it always gives me immense pleasure to provide any assistance I can to those who are not so much hard of hearing as difficult in understanding.

I would be more than willing to provide, if I could, what is clearly missing in the make-up of the hon. member. That is comprehension. I did spend 20 minutes saying exactly what a serious trade policy is all about.

First, a serious trade policy does not totally and completely reject out of hand any agreement such as the auto pact as the hon. member's party clearly does today.

Mr. McCurdy: That is nonsense.

Mr. Axworthy (Winnipeg South Centre): Now, adding to his problem of comprehension is a literacy problem. He clearly cannot read his own resolution. It says that never, ever will we ever agree to any kind of trade agreement in North America. That includes the auto pact. Here is the hon. member from Windsor. Do you know who he represents?

How many auto workers would vote for the hon. member from Windsor? There may not be many left. At 14 per cent, there could not be an awful lot left. Those who are left are going to be very interested in learning, come tomorrow when the *Windsor Star* has on the front page: "McCurdy votes against auto pact: No longer any agreements". I want to see those clippings. Then I will take the hon. member off my Christmas list because I know he will not be around next year.

The fact of the matter is that we are clearly putting forward an alternative. That is what Canadians want. Canadians want to get away from the rigidities, inflexibilities, dogmatisms and doctrinaire approach that we have seen expressed time and time again by the right and left of this country.

Canadians want to get back to good government. They want to get back to practical judgments. They want to get back to a trade policy which understands that you can walk and chew gum at the same time, that you can have an open trade policy and still preserve your identity and

independence as a country. That is the Liberal position and I am glad the hon. member finally understands it.

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, it is nice to see the member from Winnipeg with the trade critic of the Liberal Party. Sightings of the two of them together are not that often.

I have often admired the hon. member, but this speech was full of smugness. It just was not up to his standard. It really was a vacuum of rhetoric that could not be supported by the Liberal trade critic.

The Acting Speaker (Mr. DeBlois): Order, please. I ask for collaboration on language.

[*Translation*]

I would appreciate it if all members would co-operate. I am afraid that in the heat of the debate, some members may go too far. I would therefore appreciate your co-operation and a certain amount of restraint.

[*English*]

Mr. Butland: I am appropriately admonished, Mr. Speaker.

I want to say that the member from Winnipeg did a study in etymology, in semantics. I only wanted to talk about the wording of the resolution. Everyone out there who is watching this knows what we are talking about.

The hon. member says that this party is against any North American free trade agreement, that it is against any agreement. He knows full well that is sophistry, it is fallacious reasoning. Would the hon. member from Winnipeg indicate whether he and the Liberal Party are for the North American free trade agreement or not? Would they abrogate the free trade agreement that is in place?

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker first, let me say that I am a great admirer of the hon. member for Sault Ste. Marie.

In that admiration I only assumed he had some sense of history, that he understood the background. I thought he was an effective representative for the interests of his own community which deals very much with the steel industry.

I can recall the times when we were in government when we did sit down with the Americans and others to work out arrangements and agreements on steel. Under the terms of the resolution presented by his colleagues today, that could not be done. Therefore he better not vote for it.

It says any North American free trade deal, any at all. So here all of a sudden not only do we have the hon. member from Windsor totally and completely rejecting the interests of the automobile workers, we also have the member from Sault Ste. Marie saying he will not defend the interests of the steelworkers.

• (1540)

I bet you next we are going to have the hon. member from Vancouver Island standing up and saying he does not believe in selling lumber to the United States anymore. So we will build it all ourselves. Nothing would surprise me anymore but I am flabbergasted.

When it comes to the question I would simply repeat the words of my leader if he does not want the words from the hon. member, the trade critic. He said that we do not agree with this North American free trade agreement. Furthermore, our leader and our party have offered the alternative of an international multilateral trade agreement based upon principles of equity, equality, fairness, judgment and that is what is going to make this country grow.

Mr. Thacker: Mr. Speaker, I rise on a point of order, I was just wondering if this amounts to a divorce between the Liberals and the NDP or just a short lover's tiff?

An hon. member: This is ridiculous. Why do they get recognized when they make these stupid asinine points? NDP members have been doing it all day.

Mr. Walker: Mr. Speaker, I rise on a point of order, I bring to the attention of the House that such interventions are unwarranted and unnecessary and not in the spirit of the House. This is a very serious debate and the weakness of the issue, of the NDP's position has to be pointed out.

[*Translation*]

The Acting Speaker (Mr. DeBlois): And now that both sides have made their point, I will recognize the hon. member for Brandon—Souris.

[*English*]

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, I appreciate the opportunity to participate and discuss this very important issue. I am pleased as Parliamentary Secretary to the Minister of the Environment to take some time to discuss the environmental aspects of the NAFTA proposal which is being considered in the House today and will be considered in greater length probably in the new year.

In August of this year after more than a year of negotiations, Canada, the United States and Mexico agreed to the North American free trade agreement, which we generally call NAFTA, providing a new set of rules to govern investment and to govern more than what would be $300 billion in annual three-way trade.

For Canada, NAFTA means access to the fastest growing and one of the most promising economies in the world, that of Mexico, while ensuring that Canada at the same time remains a very attractive place in which to invest.

NAFTA marks the first time that a developing country has entered into a free trade agreement with two industrialized countries. It is not surprising therefore that it has raised many questions about the effects of liberalized trade on the environment. In fact NAFTA is the first trade agreement to recognize explicitly the inextricable relationship between the environment and trade and represents a very important touchstone on the road to sustainable development.

To this end the Government of Canada adopted a comprehensive four-pronged approach to integrate environmental considerations at NAFTA.

First, trade-related issues were dealt with in NAFTA directly. NAFTA sets out precedent setting environmental safeguards to protect Canada's right to set and enforce its own environmental standards and to participate effectively in co-operative international actions to address global problems.

Second, the environment was an essential element of the consultation process. The Canadian environmental community had direct input into negotiations as did business, industry, labour and other interests.

Third, NAFTA has undergone an environmental review. This is the first trade agreement in Canadian history and the first major economic initiative to have undergone such a review.

Fourth, environmental co-operation among Canada, Mexico and the United States has been intensified. These efforts will help Mexico further strengthen its enforcement capacity and ensure effective co-operative action to protect the North American environment.

There has been much discussion about the environmental safeguards in NAFTA. NAFTA has been criticized for not including such measures as minimum and enforceable standards across the three countries. Comparisons are sometimes made with what we see happening in the European community where nations are working toward economic, and to a significant degree, political integration.

It is important however to remember that continental or global environmental protection as sustainable development is very often best pursued through international environmental agreements such as the Montreal protocol or the Convention on International Trade on Endangered Species which we normally refer to as CITES.

NAFTA is not an agreement for the economic, social and political union in North America because Canada maintains its sovereign right to protect the environment according to its own standards, priorities and values. Nonetheless, were it not for NAFTA we would not have a number of key environmental safeguards governing North American trade.

NAFTA is the first trade agreement to recognize the principles of sustainable development and environmental protection. The preamble in NAFTA explicitly identifies the promotion of sustainable development and environmental protection and enforcement as fundamental goals of the agreement.

The economic and trade objectives of NAFTA are to be achieved in a manner consistent with environmental protection and conservation.

NAFTA protects trade provisions of a number of key international environmental agreements. The trade obligations under CITES, the Montreal Protocol, the Basel Convention, and any other future agreements agreed to by all three countries will take precedence over NAFTA.

Again, NAFTA affirms the right of each country to choose the level of protection in the environment that it considers appropriate to its own circumstances and according to its own priorities. Furthermore, it affirms the right of each country to adopt standards that are more stringent than international standards to secure such protection.

This agreement provides that no NAFTA country should lower its environmental standards to attract investment. This is a far reaching provision. It can be found in no other trade agreement.

NAFTA provides for a more environmentally sensitive dispute resolution process. For example, the responding party in a trade dispute involving either one of these international environmental agreements or a measure taken to protect its environment has the right to have the dispute considered exclusively in NAFTA which among other things provides input from environmental experts and puts the burden of proof on the complaining party.

Some Canadians have expressed the concern that NAFTA may lead to large scale exports of Canadian water. Large scale exports of Canadian water would clearly violate Canada's 1987 federal water policy. Canada did not entertain any discussion of large scale water exports during negotiations of either the Canada–U.S. Free Trade Agreement, known as FTA, or the North–American free trade agreement, NAFTA.

It is important that both agreements maintain Canada's sovereign right to manage its water resources in the national interest in an environmentally sound manner. Both the FTA and NAFTA apply only to water packaged as a beverage or in tanks. For greater certainty, Canada's implementing legislation will include an FTA like reaffirmation of the exclusion of large scale transfers of water from the terms of NAFTA itself.

From an environmental perspective, NAFTA is precedent setting. It is the first trade agreement to include explicit safeguards for the environment. It provides a new benchmark for an environmentally sensitive trade policy, one that Canada will build on in future trade negotiations.

Canada's environmental community was a key participant in the formal NAFTA consultative mechanisms. Representatives from environmental organizations and environmental experts participated along with business, labour and other groups on the international trade advisory committee, which we call ITAC, and on the sectorial advisory groups on international trade, which are commonly referred to as SAGITS.

ITAC and SAGITS report directly to the Minister for International Trade. ITAC and SAGITS members were consulted regularly and had access to both the draft text of the agreement as well as the environmental review. Their energy, efforts and ideas helped shape Canada's position in these negotiations.

Environmental groups outside the formal consultative mechanism of ITAC and SAGITS were also consulted on the environmental review, its nature, scope and content.

Again their views were invaluable in guiding the difficult and complex task of doing the first environmental assessment of a free trade agreement.

Consistent with this government's commitment to the environmental assessment of policies, NAFTA has undergone an environmental review. The purpose of the review was two–fold: first, to ensure that environmental considerations were integrated into the decision making process at every stage in the negotiations; second, to identify and document the potential effects of NAFTA on Canada's environment.

This environmental review which was released on November 3 concludes that: "NAFTA establishes a new benchmark for environmentally sensitive international trade and economic relations. The environmental provisions of NAFTA go beyond those of any previous free trade agreement".

• (1550)

NAFTA is not expected to have a significant impact on Canada's environment. The anticipated volume of trade between Canada and Mexico as a result of NAFTA is unlikely to significantly increase environmental pressures on Canada's air, land, water or natural resources or to add to its generation of toxic substance and waste.

Canadian business generally does not anticipate that environmental regulation will adversely affect its overall competitive position in the future. Studies indicate there is normally little competitive advantage in ignoring environmental standards as pollution abatement costs are typically small compared with total production costs and polluting companies are usually less efficient.

The review committee determined there is little evidence to suggest that Canadian companies will move to Mexico to take advantage of less stringent enforcement of environmental laws.

The concerns of Canadians on the impact of the trading environment will continue to be addressed through NAFTA as well as through both trilateral and international initiatives including the proposed North American commission on the environment.

We have been working with Mexico on an ongoing basis to address environmental problems. Under the aegis of our March, 1990 agreement on environmental co-operation, we announced in March of this year that we would be providing Mexico with an additional $1 million of environmental assistance.

Mexico has a sound environmental legislative framework and this program is aimed at assisting the enforcement. The program consists of approximately 20 projects addressing six areas: compliance and monitoring, hazardous substances and waste management, air pollution control, environmental impact assessment, environmental education, and threatened species.

Increasingly, however, we are recognizing the important links among trade, economic growth, and the environment, and the need for stronger and more effective environmental co-operation. To that end environment ministers from the three NAFTA countries met on September 17 in Washington. They agreed there was need for increased trilateral co-operation and in particular they agreed to the creation of a North American commission on the environment.

Canada's Minister of the Environment will be meeting with his colleagues from the United States and Mexico early in 1993 to finalize an agreement. The commission will ensure sustained long-term and effective North American environmental co-operation and play a vital role in supporting the environmental goals and provisions of the NAFTA.

In conclusion, NAFTA represents a milestone in Canada's efforts to better integrate the environment and economy and make sustainable development a reality.

It is the first trade agreement to recognize explicitly the relationship between environment and trade. Trade related issues were addressed in the NAFTA.

For the first time in policy making history in Canada the environmental community has had direct input into the negotiations of a trade agreement along with business, industry, labour, and other interests.

The review of the NAFTA was a precedent setting exercise, demonstrating our commitment to sustainable development by integrating environmental considerations from day one in the NAFTA process.

We will build on the progress made in the NAFTA and continue to work with our counterparts from the United States and Mexico to address environmental issues of continental concern. In addition, we will press for the environment to be a focal point for a post-Uruguay round of the GATT.

[*Translation*]

Mr. Nic Leblanc (Longueuil): Mr. Speaker, in 1987, as a member on the government side, I had an opportunity to do some serious work on the proposed free trade agreement with the United States. I was vice-chairman of the external affairs committee and had an opportunity to travel across Canada and listen to the complaints of the people who appeared before the committee at the time.

Last week, I started attending the sittings of the external affairs committee and heard what the witnesses who appeared before the committee had to say. They are still sending more or less the same messages. Business people, the people who promote products agree with three-way free trade, while those who represent employees, in other words the unions are definitely against free trade.

People associated with the NDP said they were against free trade mainly because they would lose their political sovereignty. They imagine that if we sign a three-way free trade agreement it will restrict the Canadian government's freedom to change its policies in the future. Does the hon. member on the government side believe that signing a three-way free trade agreement with Mexico and the United States will restrict the government's ability to set policy in the future and be

harmful to the social policies we in Quebec are intent on maintaining?

[*English*]

Mr. Clark (Brandon–Souris): Mr. Speaker, I think the key point to understand is that this is a trading agreement that has resulted from negotiations in which environmental factors were very much taken into consideration. It is not a proposal for economic union. It is not a proposal for a political union. In that sense it is a very different kind of agreement than that which is being contemplated at this moment in Europe.

Consequently it is very clear to me as I read this agreement, as was the case with the FTA, the trade agreement with the United States, that each of the participating parties, each of the three countries in this case very clearly retains its right to act as a sovereign nation. As I stressed during the course of my remarks, it is very proper and to be expected that the countries will use their sovereign powers to enhance their rights to safeguard their environment.

What is provided for in this agreement is an opportunity for co–operation, for shared trade, for a more liberalized trade agreement so that each of our countries can benefit from access to a greater market. I recognize the fact that the impact on Canada will in many instances be less than some anticipate. What is very clear is that each of the countries, and certainly Canada included, retains the right to be a sovereign nation and there is no impact on that, no fear of that being endangered in this particular agreement.

Mr. Jim Karygiannis (Scarborough—Agincourt): Mr. Speaker, I noted with great interest the comments of the hon. member across. I could not help but remember the last time I bought a used car. I met the sales person and he said: "Have I got a deal for you". We went to the lot and there was car No. 1 made in 1988 and car No. 2 made in 1992. Car No. 1 could only run to Buffalo. Car No. 2 had a little bit more engine and could run all the way down to Mexico.

I asked how much for No. 1 and how much for the other. He said one will cost me zip, no jobs, nothing. After four years there are almost 1.5 million unemployed. Then I asked about car No. 2. He said not to worry about that one, it is not going to cost me a single penny.

This is what I am hearing from the member across. If car No. 1 had a little engine and a little bit of gas and it cost 1.5 million unemployed, this one has more gas and a little bit bigger engine and can run all the way down to Mexico and will probably cost us 4 or 5 million unemployed.

I heard the hon. member talk about environmental co–operation, promising the economy of the world for Mexico. The Mexicans made $26 a week. He has talked about environment, trade, environmental review and co–operation. Mexico ships the finished products on one side and opens the back door and pollutes. Does he realize what his Prime Minister and his government want to put us through?

I want to ask a simple question. Four years have lapsed. In that four years my constituents have suffered. Before he stands on his feet and gives us a song and dance, is it not time he tells his boss to call an election and put it to the people?

Mr. Clark (Brandon–Souris): Mr. Speaker, I spoke to the House on the implications of the NAFTA and I did not realize my remarks were so extensive and far–reaching as to produce a question of this nature. I am not so sure that there was any question about jobs in the course of my remarks.

Let me make it very clear. There will be an election during the course of the next eight or ten months or whatever the time may be. It may well be that the same sense of bravado we hear in the House today, which I remember being repeated prior to the 1988 election, may well be reiterated once again. My hon. friends opposite who are so encouraged and positive today may prove to be disappointed in the future as indeed they were after the 1988 election, which of course was fought primarily on the issue of the FTA.

• (1600)

During the course of my remarks I talked about the relationship between environmental protection and NAFTA. I am very convinced as I stand here we have made history. For the first time in Canada, environmental protection was an integral part of these negotiations. It is a party of the trade agreement itself.

If my hon. friend is as interested in environmental protection as he should be, he should focus on that in the course of his remarks and support this agreement.

Mr. Sid Parker (Kootenay East): I welcome the opportunity to question the member with regard to the environmental portions of the motion because he spoke quite extensively on that.

I want to speak specifically about water. In Vancouver at the hearings Wendy Holm, a director of the Agriculture Institute of Canada said Canada would be powerless to restrict water exports even in times of shortages. I want to say to the member, in May of this year in my riding of Kootenay East the water on Koocanusa Lake, which is a reservoir in British Columbia was increased from 4,000 cubic feet per second to 22,000 cubic feet per second because the Americans wanted the water. Our people in that area had to sustain that kind of release of water.

Mr. Michael Walker of the think tank for the Conservative Party in Vancouver sees no problem according to the hearing. Michael Walker of the executive-based Fraser Institute, a Conservative think tank, said: "Canada has nothing to lose from increased trade in water".

There were environmental effects from that kind of draw-down on the lake. Fish two feet long were going through the turbines into the United States.

Mr. Clark (Brandon—Souris): Mr. Speaker, as you know, and as was indicated during my remarks, the type of water export to which the hon. member refers is not possible under Canada's water policy. It is not possible under the free trade agreement and, as the Minister for International Trade explained in the House today it is not possible under the proposed NAFTA.

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I am here in the House this afternoon because I read the motion by the New Democratic Party which was on the Order Paper. I thought we would have a very interesting and very useful debate. However, to my great disappointment, we have yet to hear what the leader of this party and the party's international affairs critic have to say. I thought we would have a really serious debate, but even the principle players did not have the courage to show up and face the House to explain what, according to the New Democrats, was so devastating about the subject of this motion.

I was delighted when I read the motion, but in all my life, I have never or hardly ever come across a motion in this House that turned out to be such a non-starter. I will read the motion again:

> Let this House reject any North American Free Trade Agreement.

I started wondering what this really meant. A number of questions came to mind.

[*English*]

There must be a valid reason why they made such a big mistake. If they had said we reject this deal, we could have voted yes or no. We would have voted with the NDP members on that because we do not like this deal, but they said any deal.

I read the paper the last few days and I understood very well. The Premier of Ontario made a great confession that he has so many problems running the Government of Ontario because he is vested with the problem that nobody, including himself, has any experience at all. It is evident today in this House there is no agreement of any kind with North America.

I have been around a few years. Some think it has been too many years, but we have a Prime Minister who had never been here before and look at the mess. I will not apologize for having been around for a few years. I thought about it and wondered what the words "free trade agreement" meant. I remember when I was a member of Parliament and we negotiated the North American trade agreement on the auto pact. We had long discussions with the Americans and signed a pact that created thousands and thousands and thousands of jobs in Canada. When you are in a business such as ours and represent a country that per capita exports the most in the world, you cannot build a wall. The trade between Canada and the United States is $130 billion a year. If we had a wall we could not sell to them. Therefore the notion is to have good trade deals. It is not to say that we will never have a deal with anybody in North America. That is a sign of incompetence at its best.

If Mr. Rae in Ontario confesses that then I think the NDP is bound to stay where it is for a hell of a long time.

In many ways we need a round-the-world free trade agreement. Trade is very important to our nation. This nation of ours has been built on trade. One of the reasons is that we have to sell. In my district of Beauséjour, New Brunswick, and my former district which I am going back to, Saint-Maurice, we need trade. We produce fish in Atlantic Canada and we need a market for that.

When I was the Minister of Finance I negotiated with the Americans to have access for the fisheries of Canada. I managed to open the market in the United States by making some concessions to the Americans, but it was billions of dollars of market for the fishermen of eastern Canada that I opened in reducing those tariffs. That is what I call intelligent trade.

It was the same when we negotiated the free trade agreement with the United States on automobiles. We eliminated the tariffs. Before that we were making all Canadian cars in Canada and the Americans were doing the same thing. Therefore, we decided that we would eliminate the tariffs. We made the decision that there would be no tariffs, but we made an agreement which called for fair and just trade. We told the Americans we needed managed trade. We agreed to no tariffs, but we said we would keep enough protection for Canada to keep the number of jobs needed for our employees. We decided on a share of the market and a share of the jobs.

Mr. Riis: Is that free trade?

Mr. Chrétien: Yes, it is free trade and nobody praises it more than your friend Bob White. We did not sell the store. We told the Americans it was good for them and it was good for us.

Mr. Riis: It is not free trade though.

Mr. Chrétien: Yes, it is free trade. There are no tariffs. You do not want a deal with anyone so you have to shut up and let me make my speech. We just wanted to show you how to negotiate when you are in government because I know you will never get there, but just in case. However, you may pass it on to Mr. Rae.

I said we wanted an agreement with the Americans. On the FTA, we told them we were not happy with the agreement and we would have to renegotiate it. It is the same thing with the NAFTA. We are not happy with it. It is not a good deal. We need trade, but this is not a good deal. We know exactly what we want to renegotiate. We want to renegotiate, for example, the definition of a subsidy because we have to know.

Look at what is happening now in our trade relations with the Americans. Every time we try to do something in a Canadian way if the Americans do not like it they call it a subsidy. We have this problem in the production of softwood lumber. In Canada we have other ways of taxing corporations but the stumpage fee was not part of our policy. The Americans said we had to have the same rules as them. We said it was not a subsidy because in Canada we have climatic conditions that are different than in the United States and we have tax policies that are different. It is not for them to tell us how to tax our people; it is not for us to tell them how to tax their people.

• (1610)

Some hon. members: Hear, hear.

Mr. Chrétien: If we let them do that, eventually they will claim that having medicare in Canada is unfair competition. It is not unfair competition because it is the best system in the world and, as Liberals, we will protect it.

Some will argue that because for every car built in the United States, compared to a car built in Canada, they save at least $1,000 or $900 because they manufacture it in Canada and we have a medicare system. But it is paid in another way. It is not paid by the company but by the taxpayer. It is the Canadian way of doing things.

We need a definition of subsidy and we say we will renegotiate that. Some say the Americans will not agree. They have to agree. It is part of the FTA agreement. They said that in the seven years after the enforcement of the FTA they would negotiate a definition of a subsidy so we will negotiate. We will have to negotiate what is dumping because it is related to what is a subsidy.

That is our policy and we want to clarify it. We will negotiate and we will renegotiate. That is clear, that is our clear position: first what we want to do in terms of subsidy and then dumping. There is a third thing we want to renegotiate. It is not very complicated.

The Americans signed an agreement with the Mexicans on energy that is different from the one the Americans signed with us. We want to make sure that in case of a major crisis we can keep some of our resources for Canadians first. There is nothing wrong with that.

The Americans have huge reserves for what they call "national security". They have built up reserves over the years that are owned by the states that will never be touched. They will never be available to Canadians or Mexicans. They are there for their national security.

We too need reserves for our national security but the Tories gave them away. What is unbelievable, because I have talked with some of the negotiators, is that the Americans were not asking to have a deal on energy. There was no problem for the Americans on energy. The problem was that we did not want to sell to them; it was never that they did not want to buy from us. There was no problem there. We had a policy that provided for reserves for our future. Security of supply, we called it.

The government gave it away. It is very reasonable to go back to the Americans and ask why they do not give us the same deal on energy as the Mexicans. The decided to keep control of their energy policy within the international context. There is an international agreement there, but there was no need to put it on the table in the free trade agreement.

Now there is another opportunity. The American administration is changing. We will have a president there who says "what about labour conditions; what about environmental protection?" Right on. It is what we were asking in this House for a long time.

The member for Davenport and the member for LaSalle—Émard have been asking these questions for a long time. The coming American administration is of the same view. So we have a great opportunity to renegotiate. The President-elect said he wants to renegotiate some aspects of NAFTA but the Tories want to sign right away and the NDP will not sign anything, ever.

There is a very solid, common sense position right in the middle of that. It is the Liberal position. For me, it is very important in this debate. I would offer a good opportunity to members of the NDP because they blundered that so badly I feel a bit sorry.

An hon. member: Don't be sorry.

Mr. Chrétien: They do not want me to be sorry. If they would just change one word and rather than say "any agreement" they should say "this agreement", we could vote with them because we do not like this agreement either. However to say "any agreement" I can see their embarrassment.

Some hon. members: Oh, oh.

Mr. Chrétien: I think we have a very good position on this matter. We understand that trade is very important for Canada. As the member from Winnipeg and the member from Etobicoke were talking about, we need globalization in a way and we need international rules. That would be best.

We have to be careful as a nation that the world is not moving in big blocs. That could be very dangerous. If the common market is to become a big bloc that would be protectionist, if there were to be in North America a big bloc that would be protectionist and if there were to be in Asia another bloc that would be protectionist, it would be terrible for the world. It is the poor of the world who would pay the price of that type of protection. I am worried about it so I do think that we have quite a good position.

For that matter, I enjoyed very much some months ago the position of the NDP that likes to claim it is so solid it never ever changes its mind. The leader of that party, as reported in *The Financial Post* of October 28, 1991, said: "If elected", and that is a hell of a big if, "we would sit down with the Americans and say how can we make this thing work? If not, we will give them six months notice".

Never in my life have I seen anybody take a page from my book that quickly. It is exactly our position. We would renegotiate, and if the Americans were not reasonable we would abrogate.

[*Translation*]

Those who believe we can go back to square one are mistaken. When we take power, five years will have passed since this agreement was signed and some decisions cannot be changed then. Companies that moved to the United States will not come back to Canada just because we pass a bill in Parliament asking them to. That

is not how it works. But I can understand how naive the New Democrats are, as the premier of Ontario could not have shown more clearly when he said the problems of NDP governments across the country are due to inexperience and incompetence. To that, the people in my party say amen.

[*English*]

Some hon. members: Hear, hear.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it was interesting to listen to my hon. friend, the Leader of the Official Opposition clarify his party's position on the North American free trade agreement.

I have two questions. First, does the Leader of the Official Opposition believe that the auto pact is a good example of free trade? In other words, is that how he defines free trade, by the auto pact with all of its components? Second, is it the Liberal Party's position that with some renegotiation of the Mexico–U.S.–Canada agreement the Leader of the Opposition could see himself entering into a free trade deal with Mexico and the United States?

Mr. Chrétien: Mr. Speaker, yes, because we have no tariffs between Canada and United States on cars and parts. That is free trade. We got some guarantees in that deal. That is the difference. We said we had to maintain jobs in Canada and the Americans said: "Yes, you will have it". When we look at the record over 25 years, we virtually had more work than we deserved. Sometimes it was pure luck; sometimes it was good management.

• (1620)

I remember when I was minister of trade and I sat down with Mr. Iaccoca of Chrysler. The member for Windsor West was there. We were negotiating with them. They wanted to put their van operations in Canada. I was not too keen on vans because they were nothing in those days. I told Lee Iaccoca he was perhaps giving us a bum rap. It turned out that vans became extremely popular and the big guzzling cars disappeared. We gained that way because we got the best part of the deal.

That is a form of free trade but with guarantees and mechanisms to repair it if it is not working. But it worked pretty well. What was the second question?

Mr. MacLaren: If we improved the agreement, would you go with it?

Mr. Chrétien: Of course we will improve it. If there is no possibility of improvement we can abrogate. I will do what the leader of the NDP said.

An hon. member: Read it again.

Mr. Chrétien: I will read it again in case the member has not read it. In an interview in *The Financial Post* on October 28, 1991 the Leader of the NDP said: "If elected we would sit down with the Americans and say how can we make this thing work?"

Mr. Boudria: Who said that?

Mr. Chrétien: The Leader of the NDP. "If not, we will give them six months notice". Who said that? The leader of the NDP and I.

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, I rise with pleasure to support our NDP motion:

> That this House reject any North American free trade agreement.

First I wish to quote from today's papers to show the attitude of Canada's elite toward working people. *The Globe and Mail* banner headline says: "Economy shows turtle-like advance". What it emphasizes on this page is primarily the strong points: the total value of goods and services produced grew at 1.4 per cent; there was a 5.3 per cent increase excluding inflation in spending by Canadians as final domestic demand and so on.

In *The Financial Post* hidden away where working people are not likely to find it unless they get to ride an aeroplane in the morning: "Employment outlook getting darker, says the study according to Manpower Temporary Services Limited. For the first time all 10 industry groups surveyed predict employment cutbacks and most industries are near or below the levels of the glum first quarter of 1982. The survey shows no end in sight for an employment drought that has lasted 3.5 years".

In other words, for the elite of this country it does not matter if the workers are unemployed, it does not matter if workers starve, it does not matter if workers do not have a roof over their head. What matters is sales and profit and somebody, at least the rich, having money to spend. If the rich have money to spend then somebody will find things to sell them. That is an illustration of the attitude of the elite in Canada.

I want to illustrate something else that shows the attitude and practice of the elite in Mexico, the people

the Canadian elite want to join up with and with whom they want to share the Government of Canada.

In Mexico there has been violent suppression of workers, unions and opposition leaders for years and for decades. In the three to four years since President Salinas was elected—he was elected in an election that was criticized by the Organization of American States for its improprieties or irregularities or fraud—over 100 opposition leaders and 20 journalist have been assassinated in Mexico with almost no police investigation let alone trial. There is very little police action to curb that sort of thing.

We now have a former member of the Congress of Mexico who has been driven to find refugee status in Canada. Mario Rojas Alba was a congressman of the Mexican congress, the national congress. He was one of the leaders of the Party of Revolutionary Democracy led by Cuauhtemoc Cardenas. While he was a congressman he was many times over the years physically attacked or burgled by people who he found, by investigation, were criminals and drug traffickers under the protection of the justice officials of the state of Morelos which he was representing in the Mexican congress.

In fact in January 1992 Mario Rojas was continuing investigations of the killing of Jose Ramon Garcia, an opposition leader of his party, the DRP, in the state of Morelos, who had been killed three years before. He finally, on a tip, went and interviewed three prisoners in the Morelos penitentiary, former policemen with knowledge of the kidnapping and killing of Ramon.

The contents of the interview were reported by officials to the justice authorities of the state of Morelos, the same ones who had been protecting the criminals and drug traffickers that were attacking Rojas. There were then further threats and attempts immediately made on Rojas' life. He asked protection of the attorney general of Mexico who provided a protective escort and eventually in his own investigation ratified the results of Rojas' investigation which showed that the police and the state justice authorities of Morelos were implicated in the kidnapping and murder of Ramon.

The attorney general of Mexico then refused to proceed against the Morelos state officials who were responsible for that kidnapping and murder indirectly and he withdrew the protective escort from Rojas. When Rojas saw what was happening, with the help of friends he had to escape from Mexico and he has now been accepted as a refugee in Canada.

Rojas will be here on Thursday to speak to members of Parliament who are interested to know what is happening in Mexico. His case illustrates once again what I saw in a small way when I was in Mexico a couple of years ago observing the state elections in Morelos. I observed that there were practically no voting booths at which there was any secrecy of the ballot. You do not need a secret ballot. Everybody accepts the fact that the policeman standing beside the table and all the other people standing around see how you mark your ballot. That is how unfree elections are in the state of Morelos in Mexico.

It also illustrates the state condones and even orchestrates violence against anybody who opposes the government. That includes anybody who opposes the government run trade union structure which dominates the majority of the unions in Mexico. Anybody within those unions who tries to change things is intimidated. Anybody who tries to start a new union is intimidated, and some of them have been killed by police without punishment to the police.

• (1630)

My point is that although we do not have anything approaching the state of violence in Canada at present that they have in Mexico, the attitude of the elite says that it is all right, as long as the economy is booming and there are profit figures and sales figures, we are selling more abroad and so on. It does not matter whether the majority of the people are growing poorer and becoming unemployed.

If we form any kind of North American so–called free trade agreement with Mexico, we begin to give up control, not only of our wage levels because our workers will have to meet the conditions of slave labour in Mexico and child labour by the millions, but we also have to begin to give up control over our natural resources, our investment policies, private and public, and our technological development, including the transfer of technology into our country.

It really means, at the bottom line, that we are inviting slave labour to dominate Canada if we sign this free trade agreement as this present government and the Liberals interpret a free trade agreement. They do not mean something like GATT. They do not mean what Adam Smith meant, simply a reduction of tariff barriers or the elimination of tariff barriers. What they mean is giving the multinational corporations total control, un-

limited by any government, over the resources, the investment, the technology and the working people of our country. That is why we are opposed to any North American free trade agreement.

Mr. Ken James (Parliamentary Secretary to Minister of Labour): Mr. Speaker, I listened with interest to the hon. member and the negative reaction from the NDP about the NAFTA.

I would like to cite for the hon. member something which ties into the environmental concerns which he has. I want to talk about Sarnia—Lambton, my riding, and what the free trade agreement has meant to my community. As we know, we had a five-year count down on the free trade agreement on tariffs in the petrochemical industry. As of January we will have no tariffs at all.

Ted Newall, the CEO of Nova, said that that has meant to them something in the area of $50 million in tariffs that they have not had to pay. Of course, for that company it has meant that it has been able to invest very heavily environmentally in our area to upgrade themselves in an environmental way as have Shell, Polysar, Dow Chemical and all the other companies that are located in Sarnia-Lambton. Nova, Esso, Suncor, Dupont, St. Clair Chemical and BASF and Polysar division of Bier, a German company, are all investing very heavily in environmental updates and decreasing to zero discharge into the St. Clair River.

That is because of their business stability and exports to the United States. Ted Newall the other day in a speech said something quite profound that maybe our friends who are against free trade should think about. He said a week or so ago that 50 per cent of what we use in Canada is imported and 50 per cent of what we produce in Canada is exported. That is the kind of environment that they were all in. We need agreements that will foster and help us maintain those kinds of export situations.

Again, I am somewhat surprised that the NDP is against the enhancement of Mexican people through their own business environment to upgrade themselves in a way where they will have meaningful jobs and bring themselves to a higher level of income and economic stability by having good stable employment and by exporting products to other places in North America. I am very surprised that is not in the minds of members of the NDP party.

Mr. Heap: With what time the member has left me, I want to say two things.

In speaking with the hon. member for Sarnia—Lambton, I have congratulated him on the work he has referred to that is being done by many of the industries in Sarnia to control pollution. I know about it from a source other than he which he also knows.

That happens to be one good example. There are many others that are not good in all countries, Canada, the United States and Mexico. There is nothing about the free trade agreement that requires Mexico to bring its very bad environmental and labour practices up to the level of Canada's environmental and labour practices.

Nothing requires it at all and therefore there will be other companies which have already sought to go to Buffalo, Alabama and Mexico to get the lower environmental and labour standards available there. That is the big hole in the hon. member's theory.

Mr. John Manley (Ottawa South): Mr. Speaker, I have a very short question.

The member for Trinity—Spadina has taken a very moralistic position with respect to why we should not have a trade agreement with Mexico. I wonder whether he would follow that to its logical conclusion and advocate that we have some kind of trading ban with Mexico. If so, what other countries should be included in such a ban whose standards do not measure up to ours?

Mr. Heap: Mr. Speaker, I have not talked about a trading ban because that is a distinctly different subject from what the government calls a free trade agreement.

The free trade agreement we have has nothing to do with Adam Smith or has nothing to do with GATT. It is essentially an attempt by the United States to control our natural resources, our investments and our technology. That is what I am not willing to give up to the control of the United States or to the control of Mexico.

Mr. Sid Parker (Kootenay East): Mr. Speaker, first of all I want to say how very pleased I am that the New Democratic Party has put this opposition day motion against the North-American free trade agreement.

This is the first actual debate that we have had in this House with regard to his agreement that has already been signed by the Prime Minister. There are going to be a limited number of hearings which will take place across Canada. The Liberals voted to make sure that happened. They voted with the members of the government in committee to make sure there was only a limited number. I can well understand why the Liberals are feeling so itchy about the comments of the New Democratic Party. We are opposed to this agreement and we are saying so in no uncertain terms.

Under the free trade agreement with the Americans, we were told there would not be any effects on our social programs. We saw what the government did when it came back after the free trade agreement went in. One of the first things it did was to do away with the government's participation in our unemployment insurance programs because that was seen as a subsidy.

We saw it start the clawback of our Canada pensions because that was seen as a subsidy. We have seen the disallowance of our family allowances because that was seen as a subsidy. We know what the government's agenda does. We saw the government's proposals to cut back on social programs to the provinces, and directly attack our medicare to try to bring in extra billings, the American style.

We want no part of that. If the Liberals want to participate in that kind of program, we saw the losses of jobs and so on. The Liberals are saying that the NDP is against trade.

We recognize trade as well as anybody else. That is a pretty weak argument for the Liberals to be making, that any political party is against trade. We are against the American free trade agreement and we are against the North American free trade agreement. Well we should be.

I come from a riding in southeastern British Columbia where the people know what is on the government's agenda. They know the Americans are after our water. They know that Mexicans are after our water. They know what they are after. We are definitely opposed to the wholesale sale of our water to the Mexicans. We saw what the Liberals did when they were in government in the 1960s when they signed the Columbia River treaty. That was a deal made by the Liberals.

• (1640)

We are paying dearly for that deal right now in southeastern British Columbia. They know what happens when you make deals with the Americans. We always seem to come out second best.

If we sign an over-all deal with the Americans and with the Mexicans with regard to free trade, we know exactly where we are going to be. We have seen that over the past three years. We have seen the lay-offs across Canada.

At CN Railway 10,000 employees will be laid off. There is talk of abandoning tracks from the Atlantic provinces to here. Do you not think this has something to do with free trade? We built a railway system across Canada. We made a decision that we were going to run from coast to coast, east to west.

All of a sudden under the free trade agreement, everything is going to start going north to south. Naturally the railways are going to defend themselves in very difficult situations. Yes, it is a direct response from free trade. The workers across Canada are paying that price.

I want to continue with the line I started with regard to the export of water. In my riding of southeastern British Columbia, they increased the flow from our reservoir in May from 4,000 cubic feet per second to 22,000 cubic feet per second. Can you imagine the environmental effects that has throughout southeastern British Columbia? Can you imagine how that affects tourism in that area? Can you imagine how it affects the environment in the area, or the people living in the area? Yes, those are the ramifications when these kinds of agreements are made without any consideration for the areas and the environment which we are trying to protect.

The free trade agreement with the Americans has been a disaster. There was talk during the free trade agreement negotiations that there would be adjustment programs to try to help these workers during these difficult times. They have been abandoned by this government. That is the kind of thing we will see if we get into the free trade agreement with Mexico under the

North American free trade agreement. It is just expanding something that has already proven to be a disaster.

This agreement must be abolished. The North American agreement must be abolished, and we must sit down and deal with our trading partners in an open way. We should not give away our whole country, all of our assets and all of our social programs just because we want to trade with our neighbours.

We can do this on an equal basis without having to sign away our country and our resources to the extent that we have done. We are a young country. We have only 26 million people living in it. We can produce. We can compete. We can do it in an open market, and we can do it through a system without making special deals with the Americans or the Mexicans.

Our premier from British Columbia has gone to the Pacific Rim and has tried to expand trade there. There are other areas of trade in which we can expand. We can do this in a way that Canadians normally do, in an open, equal, and responsible way to ensure that the programs we have in place are able to be continued and to ensure that the resources we have are going to be managed by Canadians for Canadians and not follow the corporate elite like the Liberals and the Conservatives want to do.

They want to have everything done and the decisions made by the corporations. Michael Walker, executive director of the Vancouver based Fraser Institute, a Conservative think tank, said: "Canada has nothing to lose from increased trade in water".

He told MPs that Canada has such a competitive advantage over the U.S. and Mexico where water is concerned that it could become a valuable export. "We have a superabundance of water", Walker said, "Perhaps it makes sense to export it to California and import their fruit and vegetables". Is that not something? Send our water down there so we can import their fruit and vegetables. It is ridiculous for Walker to suggest we should export water and import food.

That water is the life blood of Canada's agricultural sector. We urge members of Parliament to recommend Ottawa take three specific steps to ensure Canada retains sovereignty over its water supply.

That is the essence of what this agreement is all about. The people in my area of southeastern British Columbia know what is behind the free trade agreement with the Americans and the Mexicans and that is our water. We will not allow that to take place.

The Acting Speaker (Mr. DeBlois): Five minute questions or comments period, the hon. member for Longueuil.

[*Translation*]

Mr. Nic Leblanc (Longueuil): Mr. Speaker, we have a trade deficit with the world. In particular, Quebec has a trade deficit of around $4.7 billion a year. That is why the Government of Quebec is for free trade with the United States and Mexico. That is also why the official opposition in Quebec agrees with it. That is also why just a few weeks ago the Government of Quebec sent delegates at its expense to Quebec companies, asking them to do business with Mexico.

That proves we in Quebec have confidence in our skills and entrepreneurial and leadership abilities. We are not afraid to face North American competition, because we have enough talent and ability. We have enough natural resources and industries that can produce good products at good prices for the North American market.

That is why we in Quebec are for this agreement, even though we find it weak on the environment and respect for human rights in Mexico. But with time, I think the Mexicans will manage to improve their standard of living and quality of life. They must be given the time it takes and I think there is good will in that regard.

The main difficulties facing us in Quebec and in Canada with the Free Trade Agreement signed in 1988 are because once it was signed we let the dollar rise artificially or deliberately. The dollar was worth 78 cents U.S. when the agreement was signed. We let it rise to 89 cents at the same time as we let interest rates rise. That is why we have trouble exporting to the United States, not for the reasons mentioned by the NDP. The high dollar and high interest rates hurt the exports of our small and medium-sized businesses to the United States.

So I warn the NDP not to systematically block trade with the United States and Mexico, because it is our livelihood especially in Quebec.

[*English*]

Mr. Sid Parker (Kootenay East): I sympathize with the member from Quebec, but the fact remains the free trade that was imposed on us by this government was created because Quebec supported this government to the extent it did. The rest of the country is bearing the brunt of that support. We have seen the results of this government. Some of the Quebec members even had to leave that government because they could not participate there.

If we are dealing with the deficit as he has said, let us deal with the deficit. Let us get rid of that one billion dollars in entertainment tax large corporations are able to write off across Canada. Let us start addressing those kinds of deficiencies. Let us not give away our country, our resources, our programs and our social programs to another sovereign nation because we are trying to deal with our deficit. Let us deal with our deficit in a sound and economic way. Let us deal with some of those improprieties that are taking place. Let us not have the large corporations tell us we must go into a free trade agreement with these other countries because they have created the problems we have at this very time.

• (1650)

Hon. William C. Winegard (Minister for Science): Mr. Speaker, it is a pleasure to join in the debate today and, as my colleagues say, to provide some straight goods. I noticed occasionally here this afternoon, as I have been trying to follow the debate, the goods have been anything but straight.

I believe the free trade agreement is good for Canada and the North American free trade agreement will be even better for Canada. The agreement opens up a market Canada needs. It builds on the foundation we created with the free trade agreement with the United States and continues to ensure that Canada is a good place in which to invest.

Today I would like to address a number of those themes:

First, the benefits arising from the free trade agreement with the United States; second, the NAFTA negotiation process, the outcomes and what we accomplished; and, third, the anticipated benefits arising from the North American free trade agreement.

There is no doubt the free trade agreement with the United States has been beneficial to the Canadian economy. We have out-performed the United States in the bilateral trading relationship. We have gained an increased share of North American investments and North American shipments. More importantly, Canada's share of North American employment has held constant despite all the rhetoric you have heard in this House today.

Many traditional Canadian industries have made inroads into the United States market as tariffs have fallen according to the negotiated schedule.

In my part of the country, Waterloo Furniture Components for example provides an impressive display of what can be done under the free trade agreement. That company now exports 50 per cent of its production to the United States and is now exporting to over 22 countries world-wide. Exports are the reason the company has grown from a metal stamping shop employing four people in 1953 to the world's largest manufacturer of computer keyboard products.

Another great success story of a traditional industry is the Ganong Brothers of St. Stephen, New Brunswick. As you know, they have been manufacturing chocolates now for something like 118 years. When the FTA was signed, the company president, David Ganong, made a commitment to restructuring the operation to meet the challenges of not only the United States marketplace but a global marketplace. In 1990 they experienced outstanding growth in export sales of 180 per cent to the United States as well as some of the other countries they have entered.

All high value Canadian industries, except printing and publishing, have made major gains in the United States' market. Every single sector except those two have made major gains in the United States' market.

Consider the case of the Cambridge division of Babcock & Wilcox in Canada. That company recently won contracts valued at over $250 million to design and produce advanced steam generators for the United States Energy Utilities. This project ensures the continuation of many jobs and adds even more to the manufacturing base in Ontario. That improved climate of the

Canada–U.S. free trade agreement was what allowed Babcock & Wilcox to move in and obtain this very large contract.

While we have traditionally run a trade deficit with the United States in advance technology products, the situation has improved markedly since the free trade agreement came into being. In particular, and I will give you some of the specifics, exports of computers, telecommunications equipment and electronics equipment grew by almost 21 per cent per year between 1988 and 1991 to reach a level of $9.4 billion this year. We experienced a 90 per cent reduction in the trade deficit for those products since the FTA came into being.

I have no doubt one of Canada's best kept secrets is that our exports have set an all-time record again this year. Is it for real? Will it last? The answer to both questions is yes, it is for real and yes, it will last because of the base we have created.

Over the last six months we have seen commitments by General Motors (Oshawa) and Chrysler at Bramalea to extend or expand production in Canada. Our export success is rooted in the elimination of tariffs and the ability of Canadian companies to be competitive. That is what this government has been trying to do and that is exactly what we are doing.

One of my favourite success stories is Linamar Machine Limited of Guelph, which was the 1991 winner of the Canada Awards for Business Excellence. It provides specialized vehicle builders and component suppliers with high precision machining. The company attributes a large measure of its success to its total quality concept. A tuition improvement program allows employees to advance in employee training over a wide range of options, including such courses as statistical process control.

It likes the FTA. It is prepared to compete anywhere in the world and is doing so very successfully. I could stand up here for the rest of this afternoon and give you company after company after company that are doing tremendous jobs as a result of the FTA. They are increasing exports and leading us out of this recession, export driven for a change.

Let me move to the NAFTA. That process began over two years ago. We had to make a decision. Is it in our best interests to participate in this discussion or not? Clearly the FTA has given us a preferred position with respect to the United States. Some would argue, and we have heard all afternoon, we should have stayed out of the NAFTA discussions. The question for Canada was simple. Did we want a fragmented North American market or did we want one with the U.S. being the focus of two separate bilateral agreements? No.

From any kind of perspective, investment, technology or whatever, the answer is clearly no. Those who say yes have no faith in Canada or the Canadian ability to compete. We do. We believe Canadians can compete anywhere in the world and wink. That is why we said we will enter these talks gladly.

An hon. member: Hear, hear.

Mr. Winegard: We want to ship into the Mexican market.

Mexican exports to Canada already enter Canada either duty free or with a minimal tariff. In contrast, our exports to Mexico have tariffs of 10 per cent and 15 per cent. In some cases it has decrees against us and we cannot ship there no matter what we do.

I know I have heard the argument Mexican wages are low. So are their production capabilities in most areas. It has always surprised me when the opposition says "oh you should not have entered into an agreement with the United States because they are so big and powerful that they will run over us poor Canadians."

• (1700)

The same people who said that are saying we should not enter into an agreement with the Mexicans because they are so poor they will run over all these Canadians.

The North American market will link 360 million people in one free trade zone with a gross domestic product of over $7 trillion. That is the kind of market that I believe Canadians want and Canadians can compete in.

We know the negotiating process was long and difficult with two years of hard bargaining, but our positions were always reasonable. We knew exactly what we wanted when we went into the negotiations and we got what we wanted. We used the free trade agreement with the United States as the source, the base, and we made changes when necessary if we felt they were to our advantage.

People ask what Canada has accomplished. I say quite a bit. The agreement goes right to the heart of our nation as a trading nation. It provides access, competitive challenges and a fair set of trading rules. We wanted better access to the Mexican market. We got it. We focused on strengthening in the Canada–U.S. Free Trade Agreement. We did that as well. We wanted to guarantee our location as a place for investment in North America generally and we did that as well. We believe the North American free trade agreement will help Canadian companies take advantage of Mexico's very explosive economic growth.

Let us look at the specifics of the agreement. Let us begin with tariffs. Canada and Mexico have agreed to virtually phase out all tariffs within 10 years; eliminate the tariffs as quickly as possible subject to the various domestic problems we know exist when some kind of trade agreement is signed.

In no case did Canada agree to early phase–outs which would impact negatively on Canadian interests. We gained early access to Mexico for a host of things, including many of the things of direct interest to the people in this Chamber such as fish products, some grains, metals and minerals, fertilizer, sulphur, telecommunications equipment, machinery, medical equipment and I could go on.

The rules of origin which have always been a difficult part of the free trade agreement have been revamped to make their application more transparent and more predictable.

There have been major disagreements over the administration of the FTA rules with respect to rules of origin. The automotive sector has been the most visible one of these and we are beginning to see problems in the telecommunications industry, computers, industrial machinery and office equipment.

With the new rules of origin of NAFTA, clearly defining what is and what is not counted as value-added content, we will have a formula that everyone agrees upon, clear in terms of its interpretation and no more Honda type disputes.

Under the FTA duty drawback programs were to be terminated by 1996. To assist Canadian exporters, these are being extended for another two years. Furthermore, a modified drawback program continues for goods still subject to U.S. or Mexican tariffs. This protects our exporters from what I call double taxation.

The safeguard mechanism of the FTA is maintained. That protects producers from sudden harmful import surges. That is still in place in this agreement. We made a very special effort to provide Canadian manufacturers with protection from a sudden influx of Mexican Maquiladora goods because this is what the industry said it wanted. This is what we have produced.

The proposed agreement also provides for the elimination of Mexican import licences that have hurt our ability to trade with Mexico for years and years and been a constant source of irritation. Those are being eliminated. The agreement also contains a very detailed provision on customs administration. This will help us not only in Mexico, but will ensure a degree of consistency in the treatment of Canadian goods entering the United States.

NAFTA also provides major improvements in the government procurement sections. NAFTA opens up a very substantial portion of the Mexican government procurement to an open bidding process. The proposed agreement covers a number of U.S. government service and construction contracts not previously covered under the FTA.

For example, the U.S. Corps of Engineers is included as is the U.S. Rural Electrification Program. Each of these provides new opportunities for Canadian manufacturers. NAFTA also provides special provision for a number of specific sectors.

In agriculture the agreement enables Canada to maintain our supply management regimes and provides us with easy access to the Mexican agricultural market. As we know, the market in Mexico for our exported food products is growing very rapidly; pork, apples, potatoes. Import restrictions on wheat, barley and potatoes are replaced with very low tariffs.

The agreement opens the highly protected Mexican energy sector. Most petrochemical trade restrictions are eliminated. Also important is the fact that energy is protected from interference by regulators: That is of particular concern, as this House knows, to the Canadian

natural gas exporters. They have been plagued by that problem for many months.

Changes in the automotive rules of origin, let me repeat, provide a higher North American content rule than we had previously. We believe that helps Canadian part manufacturers in terms of allowing them to have more chance at that big North American market. We also believe, as I said earlier, that it will help resolve some of the current difficulties between Canada and the United States over the content rules.

Let me turn in the final moments of this discussion to services. Many people forget that services now make up over 60 per cent of our GDP and almost 20 per cent of international trade. The FTA was the first trade agreement that included special provisions for services. The temporary entry provisions contained in the FTA have been now extended to Mexico.

These provisions provide right of access to business travellers and professions. They do not undermine in any way, as we kept saying during the FTA debate, our traditional immigration procedures.

On service contracts, the service provisions provide an important liberalization in the financial sector, the telecommunications sector and in part the transportation sector. We tend to forget how good Canadians are at providing these services, whether they are financial, telecommunications, consulting engineering or many other of the professions. We do a very good job.

This should help us gain access for those people which is exactly what we want.

In conclusion, let me state again that our objectives for the NAFTA negotiations were to secure better access to Mexico, to safeguard and improve the gains made in the FTA and guarantee Canada's position as an attractive investment location in North America. We have gained all of those objectives. It is clear to me that Canada wanted the FTA. It is good for Canada to have NAFTA and it is going to build on the success of one to make a success of the other.

We, unlike the opposition, believe in Canadians.

An hon. member: Hear, hear.

Mrs. Ethel Blondin-Andrew (Western Arctic): Mr. Speaker, I am most interested in the speech on the North American free trade agreement.

• (1710)

More so, I am interested in putting a fairly broad international trade question to the minister of science. Over the last couple of weeks we have been severely impacted by the advertising by foreign financed animal rights activist groups unfairly targeting the seal industry, which has a very negative impact on Canadian citizens, particularly the Inuit citizens of this country who have suffered under the impact of this particular advertising campaign.

I know that the minister would be particularly interested because a lot of what happens with the trapping industry has to do with science and research technology.

There is a deadline that the trappers of this country face that has been imposed internationally to meet humane standards. I want to know why the government is using a go it alone policy. External Affairs made a very meagre attempt to deal with these multi-million dollar ad campaigns which are being masterminded, by the way, in London, England by the animal rights activists. Its ad campaign is $20 million. None of that money will reach the people it will severely impact on. It will not reach the Newfoundlanders who have been put down by this attempt. It will not reach the Inuit who have been severely impacted, who experience in many cases high unemployment; both groups do.

I would like to know what the government is going to do in light of the fact that there is no indication of any funding for Indigenous Survival International, the sole voice for the fur industry in this country that goes abroad internationally. Why is it that these animal rights activists have been successful in their countries in getting representatives to numerous trade commissions that have direct impact on trade policy? We allow these groups to rip the guts out of any kind of sustainable activities that these two groups undertake to survive and to struggle to survive in a very weak economy. What is this government going to do to combat this?

I would like to see the minister respond because he has a direct responsibility. Are we going to counter-attack by using an ad campaign that is as effective, that will put down these people who have precious little regard for the aboriginal people of this country, for this country and our government, and for the people of Newfoundland? I would like to know what this House and this government are prepared to do in terms of international trade to combat these people who are totally insensitive to the human species and who have put before us a question

that would make us appear to be totally insensitive to the animals. We will not pick and choose.

Mr. Winegard: Mr. Speaker, I think the hon. member will find there is considerable sympathy for her position on this side of the House. She knows that. We believe that many of these ad campaigns have gone way too far. We are making representations and, although it is clearly outside of my personal jurisdiction as a minister, I will unquestionably take her representations to the two ministers most involved as soon as this debate is over and before the vote.

I thank her very much for the interjection.

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, I listened carefully to the Minister for Science when he was speaking on this question of the NAFTA. He made some comments on the free trade agreement and he sang the praises very loudly of the benefits of the free trade agreement thus far.

I apologize to the minister if it is harmful to his ears but the fact remains that we still have 1,700,000 people, approximately, unemployed in Canada. The minister claims that the free trade agreement has done so many wonderful things and has created so many opportunities and so many jobs. I wonder when he will admit that there are some deficiencies causing 1,700,000 to be unemployed in Canada.

He talks about training opportunities for workers that should have been there all along. We should not need a free trade agreement to create training opportunities. This government failed when it did not ensure that employers should have or will have opportunities in place to upgrade the skills of their workers and to keep up with technological change while the people are employed. The government failed to do that.

This is not going to be rectified with free trade of any kind, either North American free trade or Canada-U.S. free trade. There are no guarantees that I have heard from this minister as a result of these negotiations that Canadian jobs will be protected as a result of any content regulations.

I have heard no guarantees from this minister in his speech with regard to Canadian manufacturers having some form of legislation to ensure that they remain in Canada, so they do not remove themselves and go to the Maquiladora and manufacture goods to try to sell back to unemployed Canadians. In essence, that is what is going to happen.

I would like the Minister for Science to make a further declaration in regard to what he has already said. I would like to ask him one final thing. Where in the North American free trade agreement is there any kind of language that would ensure we have proper opportunities for research and development in the areas needed in this country because we are in fact a resource based economy?

Mr. Winegard: Mr. Speaker, I will try my best to respond to the many questions that were asked. First of all, with respect to the number of unemployed, no one in this country is pleased to see 1.5 million Canadians unemployed.

The implication from the question however is that this is a result of the free trade agreement, which I deny. This is a world-wide recession. In fact, we have many studies by independent organizations which indicate that the recession would have been significantly worse had it not been for the free trade agreement that is now in effect.

The Institute for Policy Analysis of the University of Toronto just released a study last week which said precisely that. The C.D. Howe Institute study says precisely that. There are many studies that say this has been good for Canada.

With respect to labour, wages and the guarantees, let me take the guarantees first. My colleague does not want free trade. He wants managed trade. That has always been his party's position. It takes that position because it does not trust or feel confident about Canadians. It always wants to make sure that Canadians are protected somehow because we are not good enough to compete in the world market.

I have never believed that. I do not believe it now. I am certainly not going to believe it when I see the success stories that we have of company after company making it in world-wide competition. We do not want to move backward as the Neanderthal parties would have us do. We are going to go ahead.

With respect to NAFTA and the labour component, we know that wages are one factor. As I have said previously, they are only one factor in terms of what makes a company competitive. Manufacturing ability and the technology they use, the administrative ability, the management ability, all of those things become very significant. Surely, even the NDP might agree that

Canadians are better at those things than the Mexicans. Therefore we continue to have an advantage.

In terms of adjustment, we know very well that there have to be training programs in place, not because of NAFTA or the FTA. It is simply because we are going to have industries go up and down over a period of time. We have to be able to give those people some hope and some training so they can participate fully in the job market as they wish to do.

That has always been the policy of this government. We will do our best to continue to live up to those kinds of things because we want Canadians to be out working. We do not want to put them behind the wagons drawn around in a circle like my colleagues over there would have us do.

• (1720)

[*Translation*]

Mr. John Manley (Ottawa South): Mr. Speaker, I would like to participate in the debate this afternoon because many of the things which the previous speakers said are a little confusing for those interested in this debate.

The New Democratic Party's motion reads as follows:

That this House reject any North American free trade agreement.

[*English*]

In other words, the motion that the NDP has put forward today and upon which this debate is sought to be framed is one which does not seek to go to the merits or problems of the North American free trade agreement which was negotiated and initialled in August 1992 by Canada, the United States and Mexico.

The motion does not seek to go to improvements which could or ought to be sought by the Canadian government or changes which ought to be resisted by the Canadian government in the face of argument put forward by the other parties to the agreement.

Instead, the motion is framed and set forth as a clearly protectionist resolution which I believe represents the point of view of the New Democratic Party that free trade agreements should not be entered into by the Government of Canada under any circumstances. That is the way it has framed the debate.

People watching should also understand that we have amended the motion in order to try to frame it somewhat differently by saying that the rejection of the North American free trade agreement should occur if the agreement fails to promote Canadian workers and jobs and fails to safeguard the environment.

We are trying to focus the attention of Canadians on the essential issues that need to be dealt with by Canada, its government and its people in moving forward in this world economy, dealing with the powerful economic influence of the United States as it emerges on this continent.

I suppose all of us who were engaged in the great free trade debate of 1988 and the election campaign are always eager to resume that battle. I suppose it is not surprising in light of its position in recent polls that the NDP tries to use a debate such as this one in order, not so much to attack the government as to try to attack the Liberals because it hopes it can somehow resurrect its standing by taking support away from us.

It is important that Canadians understand that the issues at stake in developing the Canadian economy to confront the problems that are besetting us cannot be trivially dealt with in the polarized context of a debate over the free trade agreement or NAFTA simply of themselves.

In the 1988 election campaign we sought to persuade Canadians that a move in the direction of a free trade agreement with the United States was a move toward a continental strategy and there were other and better strategies available for Canada to follow.

That was the essence of our argument in 1988. Canada would not exist as a separate country in the northern half of the North American continent if a continental policy had been pursued by Canadian governments going back 125 years. In fact much of Canadian policy over that time, regardless of who was in power in the federal government sought to resist the strong magnetic pull of the United States and to build an independent Canadian policy that preserved our identity and our differences as a nation.

We always had a foot somewhere other than the continent. For many years it was our ties to Britain and the Commonwealth that gave us an outlook which differed from that of the United States. As the importance of that bond has faded over the years, the pole of the United States has become increasingly strong. Our ability to forge a policy of independence in economic terms in the world, and perhaps also in political terms, has become greater and greater.

What is needed from government then? What is needed is a counterweight strategy. It is a strategy that enables the Canadian economy to continue to grow but to resist that powerful pole from the south that seems to influence day after day more and more of our decisions.

The choice to simply follow a continental strategy that was taken by the Conservative government in 1988, is a choice that shuts down our other alternatives.

In raising this issue now in the context of the North American free trade agreement, we are right to continue to ask where the strategy for the counterweight is. Where do we find opportunities for Canada to pursue an independence in economic and political terms that will enable us to resist being sucked into the vortex of the U.S. policy? That is not in the interests of the United States.

A strongly independent Canada that may go its own way is not in the interests of the United States. We know what the U.S. strategy is and the U.S. strategy makes a good deal of sense for the United States. The U.S. strategy is to build an American trading bloc which may comprise both North America and South America to enable the U.S. to be the strongest element in a trading bloc which in itself resists the powerful influences of Asia on the one hand and Europe on the other. That is the U.S. strategy.

It is a simple, effective strategy. It is one that works well for the U.S. It is one that will work well for Japan which will be the base point of the Asian trading bloc. It is one that would work well for Germany and for France if they could combine their interests as the strongest components of the European part of that bloc.

It is not in Canada's interest because Canada as part of this American bloc is simply too weak a partner to have the role we could play as part of a broadly based multinational trading system such as we have pursued as part of our policy for generations since the war.

That is where Canada can play the greatest role. That is where Canada's interest is and the interest that Canada shares with many other small trading nations in Europe and in Asia as well as in America. Canada's interests are best protected in a multilateral system.

I want to say a few things about the Canada–U.S. Free Trade Agreement and why we need to look critically at what the government is doing. As I said earlier, our opposition to it fundamentally focused on what one might call non-trade issues in the 1988 election campaign, on sovereignty issues. However there were trade issues involved in it as well.

Fundamentally, the trade issue that was raised at that time was if the objective of the free trade agreement was to guarantee Canadian firms secure access to the U.S. market, the free trade agreement failed to do so because it failed to give Canada exemption from U.S. trade laws.

The gain we made under the free trade agreement was the power of a bilateral panel to arbitrate disputes that arose under the trade laws of the two countries. Canada has had some significant success in arbitrating cases before those panels. The decisions have favoured Canada, in many important cases. However we did not get exemption from the U.S. protectionist trade laws.

• (1730)

What do we gain, if anything, out of NAFTA? We have to look very critically at what the government has failed to do in this negotiation. First of all, let me say that we supported Canada engaging in the discussion. It was important that Canada's interests be protected and that Canadian negotiators sit at the table in order to do whatever was necessary and possible to preserve Canada's interests.

We should also be aware of the risks Canada faced in the event that the U.S. concluded a free trade agreement with Mexico to the exclusion of Canada. That would create a problem for Canada in attracting investment to this country to enable Canadian producers of goods and services to compete in that new zone from which we were excluded. So there were very important reasons for Canada to be at that table.

At the same time, however, we had to follow a strategy that opened up other opportunities for Canadians to compete in what is becoming an increasingly global economy. Canadians should and must understand the degree to which Canadian prosperity is dependent on trade. Canada may be a small player in world trade terms. It represents something less than about 3 per cent of world trade, but Canada's output from the private sector is close to half dependent on export trade. One in five Canadian jobs is directly dependent on exports. Another way of expressing that is that every billion dollars of exports from Canada translates into about 15,000 Canadian jobs.

We cannot afford to close our eyes to the importance of Canada's role in international trade. Nor can we afford to be ignorant of the problems that have been emerging over recent years in succeeding in that all-important trading environment. Our merchandise trade surplus fell from $19.8 billion in 1984 to $11 billion in 1991. Our current account balance has gone from a $2 billion surplus in 1984 to a deficit of $27 billion in 1991. In 1979 we had a 5 per cent share of world trade. As I have already said, it has dropped to about 3 per cent.

The signs are not encouraging for a country whose prosperity is so dependent on trade. We have to ask what is going wrong and what strategies we intend to employ to address the problems. Some of the problems are evident and relate to our ability to compete in an economy and a world which is becoming increasingly ignorant of borders and increasingly sensitive to the ability to produce goods and services inexpensively and quickly and to meet the needs of customers. In other words, innovation, research and development, skilled people and training programs have become the hallmarks of good trading countries. Canada cannot afford to fail in those areas. Instead we seem again to be focusing, if the NDP have its way, on a debate not about the crucial, basic problems in the Canadian economy, not about the problems that are evidenced by a 30 per cent high school dropout rate and approximately 35 per cent enumeracy rate among our young people, high problems of illiteracy. We are not focusing on issues of declining productivity of our work force. No, we are debating too often arcane principles of international trade law which are no more the source of our problems than many of the other things we seem to talk about indefinitely at great length in this place.

We need to take the time to focus on what is at the core of our problems in the Canadian economy because we are going to be losing the race for markets and jobs that are crucial not only to our continuing prosperity, but in the final analysis to our future as a nation.

The free trade agreement was never a strategy to deal with any of those things. The free trade agreement was an accession to the U.S. strategy of continentalism. Why has it not created the prosperity which was promised by the government? There are a variety of reasons and there are mixtures of reasons. No one can claim that all of the job loss was due to the free trade agreement, nor can it be fairly said, as the Minister for Science tried to say few minutes ago, that job losses were only caused by the recession. The problems are intertwined.

Understand this, Mr. Speaker, that when the free trade agreement was negotiated with the United States in 1987 the Canadian dollar traded at 76 cents U.S. About a year ago in November 1991 the Canadian dollar hit 89 cents U.S., a very significant revaluation of our currency.

How on earth can one expect to implement a free trade arrangement without having concern for the relative value of the currency? How can business carry on as though currency had nothing to do with an important trading relationship such as that?

Much of the recessionary impact was felt in Canada earlier than the United States. That is not typical for recessionary periods in North America. Usually the U.S. enters recessions first. Why? Partly because we pursued a monetary policy that resulted in very high real and nominal interest rates and accelerated the decline of the Canadian economy into the recession.

We hit first. We had a high dollar which made it difficult for us to sell into the U.S. market. When the recession hit the U.S. as well and the trade barriers had gone, what happened? Instead of having a growing market on both sides of the Canada-U.S. border we had a shrinking market for domestic goods and services. As a result branch plants in Canada closed and supplies for

the entire North American market could easily be accomplished from the U.S. plants.

Why has the Canadian manufacturing sector lost somewhere, depending on whose estimate we accept, between 200,000 and 350,000 jobs over the course of the last three to three and a half years.

One of the reasons is that the recession combined with the free trade agreement has made it quite easy for production in the U.S. to satisfy the needs of the Canadian market as well as the U.S. market.

These are problems for which there was no strategy to deal with and they have exacerbated the problems of the recession in Canada.

Where do we go from here? We have been given an opportunity by the election of a president in the United States who talks about not passing the law implementing the North American free trade agreement until other aspects are negotiated. Governor Clinton said on October 4 and I quote: "As president I will seek to address the deficiency of the North American free trade agreement through supplemental agreements with the Canadian and Mexican governments. I will not sign the legislation implementing the North American free trade agreement until we have reached additional agreements to protect the environment and labour standards".

• (1740)

The completion of these supplementary agreements provides us with an opportunity and I hope that the government pursues it.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, I listened with interest to the hon. member for Ottawa South. I think what he had to say illustrates the value of moving a motion like this today because this motion is directed primarily at the Liberal Party. We make no secret of that.

We would like it to become clearer to Canadians just where the Liberal Party does or does not stand with respect to the Canada-U.S. Free Trade Agreement or the North American free trade agreement. I listened for 20 minutes to the member for Ottawa South and he never said what the Liberals would do with respect to the Canada-U.S. Free Trade Agreement.

He was very critical of the agreement. He said it was a concession to continentalism. He noted all the things it had done to Canada, he did not say that the Liberals would move to abrogate that agreement or not agree to progressing with the North American free trade agreement.

You cannot have it both ways. You cannot say these things are as bad as the hon. member has just said they are and at the same time be unwilling to take the position with respect to the Canada-U.S. FTA that these are things we either need to get out of or not get into with respect to NAFTA.

What is the position of the Liberal Party? What is its strategy for counterweights, as you mentioned? It is not enough to just get up and tell us what is wrong with these agreements. We need to have the political will in this country to get out of these agreements. The fact is the recession you mentioned, the world-wide recession, is a result of 10 years of the same philosophy that is enshrined in these agreements; the neo-Conservative free market *laissez-faire* agenda.

That has created the problem we are in. Why on earth does the hon. member not face up to that and change the position of his party and say it will abrogate these agreements and not enter into the NAFTA?

Mr. Manley: Mr. Speaker, I am sorry the hon. member had so much trouble understa□Bnding what I was saying. Unfortunately the world is not as simple as NDP members would like it to be. They would like it if we could simply say, let us abrogate this, let us tear up that, let us close this off and then everything will go back to where it was before. There are many powers that governments have. One of them is not the power to turn back the clock.

What we have in the context of both the free trade agreement and NAFTA is essentially a problem of how we manage our relationship with the United States. I think even the NDP would agree that the trading relationship Canada has with the United States, being the largest two-way trade relationship of any two countries in the GATT is of vital importance to our country, to our economy.

Therefore, managing that relationship probably becomes the most important issue we have to deal with in terms of international politics and international trade. What strategy do you take to the management of that relationship?

You can on the one hand, as I suggest the government has done, simply pander to the United States. You can go fishing with the president every chance you get. You can do pretty much whatever they want.

Or you can take the approach the NDP members suggest which is essentially to be very confrontational. Instead of trying to deal with the relationship, be very aggressive and say we are going to tear up our agreement with you. We do not care who has invested based upon it. We do not care what the rules are. We do not care what is happening. We do not care what the status of the trade disputes that are currently before arbitration is going to be. We will simply abrogate the trade agreement. That is an option. I agree it is a clear option. There is no doubt about where they stand. If clarity is what you want, then clarity is what you will get from them. It is a discredited policy but nevertheless, there it is.

What we are saying essentially is far more complicated. It is more difficult to explain, but our relationship with the United States is a very complex one. Managing it is a very important issue. I think Canadians can understand the fact that over the course of time we must reclaim bit by bit the sovereignty that was lost in 1988 and assert policies—

The Acting Speaker (Mr. DeBlois): It being 5.45 p.m., it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply pursuant to Standing Order 81(14).

The first question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Call in the members.

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

(*Division No. 354*)

YEAS

Members

Allmand
Assad
Berger
Blondin-Andrew
Caccia
Chrétien
Comuzzi
Dingwall
Ferguson
Flis
Gaffney
Gauthier
Grey (Beaver River)
Harb
Hopkins
Karygiannis
Kilger (Stormont—Dundas)
Lee
MacLaren
Manley
Marleau
McGuire
Mills
Parent
Proud
Rompkey
Walker
Wood
Arseneault
Axworthy (Winnipeg South Centre)
Bevilacqua
Boudria
Campbell (South West Nova)
Clancy
Crawford
Dionne
Finestone
Fontana
Gagliano
Gray (Windsor West)
Guarnieri
Harvard
Kaplan
Keyes
Kilgour (Edmonton Southeast)
MacAulay
Maheu
Marchi
Martin (Lasalle—Émard)
Milliken
Nunziata
Peterson
Prud'homme
Stewart
Wappel
Young (Acadie—Bathurst)—56

NAYS

Members

Althouse
Andre
Atkinson
Beatty
Bertrand
Black
Blaikie
Blenkarn
Bouchard (Roberval)
Breaugh
Brightwell
Butland
Campbell (Vancouver Centre)
Chadwick
Chartrand
Cole
Cooper
Côté
Crosbie (St. John's West)
Danis
de Jong
Desjardins
Domm
Duplessis
Edwards
Fee
Fisher
Fulton
Gibeau
Greene
Halliday
Anderson
Angus
Attewell
Belsher
Bjornson
Blackburn (Jonquière)
Blais
Bosley
Boyer
Brewin
Browes
Cadieux
Cardiff
Champagne (Champlain)
Clark (Brandon—Souris)
Collins
Corbeil
Couture
Crosby (Halifax West)
Darling
Della Noce
Dobbie
Dorin
Edmonston
Epp
Ferland
Fontaine
Gardiner
Gray (Bonaventure—Îles-de- la-Madeleine)
Guilbault
Harvey (Chicoutimi)

Hawkes
Hicks
Holtmann
Hughes
James
Johnson
Jourdenais
Kempling
Langlois
Larrivée
Littlechild
Lopez
MacKay
Martin (Lincoln)
Mazankowski
McCurdy
McKnight
Moore
Nicholson
Oberle
Parker
Redway
Reimer
Richardson
Robinson
Rodriguez
Saint-Julien
Shields
Sparrow
Stupich
Taylor
Thompson
Turner (Halton—Peel)
Vézina
Vincent
Wenman
Whittaker
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Young (Beaches—Woodbine)—140

Heap
Hogue
Hovdebo
Hunter
Jelinek
Joncas
Karpoff
Langdon (Essex—Windsor)
Laporte
Layton
Loiselle
MacDougall (Timiskaming)
Marin
Mayer
McCreath
McDermid
Monteith
Murphy
Nystrom
O'Kurley
Porter
Reid
Ricard
Riis
Robitaille
Roy-Arcelin
Schneider
Soetens
Stevenson
Tardif
Thacker
Tremblay (Québec-Est)
Valcourt
Vien
Weiner
White
Wilbee
Winegard

PAIRED—MEMBERS

Members

nil

• (1810)

[*Translation*]

The Acting Speaker (Mr. DeBlois): I declare the amendment lost.

The next vote 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. DeBlois): All those in favour will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

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

(Division No. 355)

YEAS

Members

Althouse
Black
Breaugh
Butland
Edmonston
Fulton
Heap
Hunter
Kindy
Laporte
Murphy
Parker
Robinson
Samson
Taylor
Young (Beaches—Woodbine)—31

Angus
Blaikie
Brewin
de Jong
Fisher
Gardiner
Hovdebo
Karpoff
Langdon (Essex—Windsor)
McCurdy
Nystrom
Riis
Rodriguez
Stupich
Whittaker

NAYS

Members

Allmand
Andre
Assad
Attewell
Beatty
Berger
Bevilacqua
Blackburn (Jonquière)
Blenkarn
Bosley
Boudria
Brightwell
Caccia
Campbell (Vancouver Centre)
Chadwick
Chartrand
Clancy
Cole
Comuzzi
Corbeil
Couture
Crosbie (St. John's West)
Danis
Della Noce
Dingwall
Dobbie
Dorin
Edwards
Fee
Ferland
Flis
Fontana
Gagliano
Gibeau
Gray (Windsor West)
Grey (Beaver River)
Guilbault
Halliday
Harvard
Hawkes
Hogue
Hopkins
James
Johnson
Jourdenais

Anderson
Arseneault
Atkinson
Axworthy (Winnipeg South Centre)
Belsher
Bertrand
Bjornson
Blais
Blondin-Andrew
Bouchard (Roberval)
Boyer
Browes
Cadieux
Cardiff
Champagne (Champlain)
Chrétien
Clark (Brandon—Souris)
Collins
Cooper
Côté
Crawford
Crosby (Halifax West)
Darling
Desjardins
Dionne
Domm
Duplessis
Epp
Ferguson
Finestone
Fontaine
Gaffney
Gauthier
Gray (Bonaventure—Îles-de- la-Madeleine)
Greene
Guarnieri
Gustafson
Harb
Harvey (Chicoutimi)
Hicks
Holtmann
Hughes
Jelinek
Joncas
Kaplan

Karygiannis
Keyes
Kilgour (Edmonton Southeast)
Larrivée
Leblanc (Longueuil)
Littlechild
Lopez
MacDougall (Timiskaming)
MacLaren
Manley
Marin
Martin (Lasalle—Émard)
Mayer
McCreath
McGuire
Milliken
Monteith
Nicholson
Oberle
Parent
Porter
Prud'homme
Reid
Ricard
Robitaille
Roy-Arcelin
Schneider
Soetens
Stevenson
Tardif
Thompson
Turner (Halton—Peel)
Vézina
Vincent
Wappel
Wenman
Wilbee
Wilson (Etobicoke Centre)
Wood
Kempling
Kilger (Stormont—Dundas)
Langlois
Layton
Lee
Loiselle
MacAulay
MacKay
Maheu
Marchi
Marleau
Martin (Lincoln)
Mazankowski
McDermid
McKnight
Mills
Moore
Nunziata
O'Kurley
Peterson
Proud
Redway
Reimer
Richardson
Rompkey
Saint-Julien
Shields
Sparrow
Stewart
Thacker
Tremblay (Québec-Est)
Valcourt
Vien
Walker
Weiner
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Young (Acadie—Bathurst)—168

PAIRED—MEMBERS

Members

nil

• (1820)

[*English*]

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

* * *

BUSINESS OF THE HOUSE

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I think you would find consent for the following motion:

That, notwithstanding any Standing Order of this House:

1. On Wednesday, December 2, 1992, the House shall, when Government Orders are called, proceed to the consideration of a bill entitled "an act to provide additional borrowing authority for the fiscal year beginning on April 1, 1992" at the second reading stage;

2. That, during such debate, the first speaker shall have unlimited time and the second and third speaker shall have equal time as the first speaker.

3. That, on Wednesday, December 2, 1992, the hour provided for Private Members' Business shall be from 10.00 to 11.00 p.m.

4. That, on Wednesday, December 2 and Thursday, December 3, 1992, the House shall continue to sit beyond the ordinary hour of daily adjournment, but not later than 12.00 midnight, provided that no dilatory motion or quorum calls shall be deemed receivable during the extended hours of sitting;

5. That, on Thursday, December 3, 1992, the Adjournment Proceedings be held at 6.00 p.m., at the end of which the motion to adjourn the House shall be deemed withdrawn.

6. That, no later than 12.00 midnight, on Thursday, December 3, 1992, all questions necessary to dispose of the bill at the second reading stage shall be deemed to have been put forthwith without further debate or amendment, and a recorded division shall be deemed to have been requested and shall be deemed to stand deferred until Monday, December 7, 1992, at 6.00 p.m.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, there have been some consultations with opposition parties with regard to the content of the motion as read by the parliamentary secretary and I am prepared to give the consent of the Official Opposition.

Mr. Rod Murphy (Churchill): Mr. Speaker, I know that our House leaders agreed to the motion. However, I am sure the government would allow more than just one hour of debate on my private members' motion tomorrow night on a limit on third-party advertising during elections.

Perhaps you would like to amend the motion to allow three or four hours debate on this important issue.

[*Translation*]

Mr. Nic Leblanc (Longueuil): Mr. Speaker, I negotiated with the government House leader so that our party's leader could speak after the NDP representative in reply to the speech by the Minister of Finance tomorrow. It would seem that the Liberals do not agree. I would really like the Liberals to agree to this before I give my consent.

The Acting Speaker (Mr. DeBlois): The House is not the place to negotiate in public. I must put the question.

[*English*]

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

Some hon. members: Agreed.

Motion agreed to.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 30(7), the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

EXCISE TAX

CFC-FREE AIR CONDITIONERS

Mr. Bill Blaikie (Winnipeg Transcona): moved

That, in the opinion of this House, the government should remove the $100 excise tax on CFC-free air conditioners.

He said: Mr. Speaker, this motion gives the House an opportunity to debate what I think is an important issue and that is to the extent to which the tax system in this country should be used to promote certain goals.

We have often used the tax system in this country to promote certain social and economic goals. What I want to maintain by way of this motion and the arguments I make in supporting it is that we should now consider the tax system to promote certain environmental goals.

We have some history of this in the sense there was a time, for instance, with respect to leaded and unleaded fuel, when the tax system was not neutral. We argued in the House many years—I see the hon. member for Toronto Davenport here—that there should be no price differential between the two because we did not want leaded gasoline to be cheaper than unleaded gasoline. We were eventually able to achieve that and of course leaded gasoline is no longer an issue.

I am not suggesting that we eliminate disparities which might favour the more environmentally harmful product, but that we actually consciously try to use the tax system to discourage the use of the more environmentally harmful products and to encourage the use of environmentally friendly products.

This has been called a number of things but it has generally been referred to in the eco-venacular as green taxes or the green tax movement. For instance, you could imagine a number of things from removing sales taxes on things that do not produce greenhouse gases to encourage people to use canoes and bicycles and other things that are non-polluting over things like the internal combustion engines which produce hydrocarbons which then go into the atmosphere.

What I am talking about in this particular bill is removing the $100 excise tax on CFC-free air conditioners. There is a growing consensus world-wide that many of the things we talk about in this House will become very irrelevant, at least very trivialized, if we do not address the larger, planetary environmental problems of ozone depletion. All the parliamentary and extra parliamentary talk about recession and free trade agreements, budgets and deficits and everything else will become dangerously relativized.

• (1830)

We must do something about a situation which seems to portend that at some point we may be dealing with a situation that could threaten life itself on planet earth. At the very least, it could threaten it with a transformation that would so change our way of living that it would not be comparable to what we now know as organized human life on the planet were it to reach a point where crops were no longer able to be produced in the way they are now or where people had to stay indoors all the time or whatever the case may be.

I think that this is just one small opportunity we have in the House—we do not have very many of them—to address the issue of ozone depletion. The bill not only provides us with that opportunity, but also with the opportunity to address some of the practical ways in which we can actually address the issue.

I go back to a time when I was just finishing my stint of three years as the NDP environment critic and it was just before the conference in Montreal on ozone when the so-called Montreal Protocol was developed in September of 1987.

I did not get to attend that conference because there was a change of responsibilities and the then member

for Broadview—Greenwood went in my stead because she became the new NDP environment critic. I took over as the external affairs critic.

At that point the world first turned its collective attention to the question of ozone depletion and developed what has come to be called the Montreal Protocol. There were people at that time who said the Montreal Protocol did not go far enough and unfortunately those people were proved right by subsequent scientific research and discovery such that a new protocol, if I understand it correctly, or improved global regulations were required to be reached just in the last few weeks.

There is some debate about the role Canada played at that conference and whether we took a strong enough position. Maybe there are some here who know more about that than I do who might be willing to comment.

Some international protocols are reached for the elimination of ozone depleting substances, the capturing of existing ozone depleting substances and their storage in the way that they are not released into the atmosphere and the production of new technologies and new products which replace the kinds of things that formerly were CFC producing like refrigerators and air conditioners, et cetera.

I am told there is a new refrigerator on the market. I think it has been developed in Germany and does not depend on CFCs. In spite of all these things we need to use the tax system as I have suggested here to encourage the development of certain habits and the use of certain products. We also need to develop a personal ethic in this country about the use of these substances.

We are all still too blase about our own personal responsibility when it comes to the environment. We can have protocols, laws and taxes, all of which are designed to produce a certain result. In the end, individual Canadians are going to have to start to make the right personal choices every time they are confronted with whether to use air conditioning, for instance, if they know that air conditioner depends on CFCs.

I have wrestled with this myself. I have a car which has an air conditioner in it.

The freon gas escapes into the atmosphere but now I am faced with what I think is a genuine decision. Do I replace the gas in that air conditioner, knowing full well because it has escaped before that it will probably escape again and therefore make a personal contribution to what I know is an accumulating and serious environmental problem? All of us confront those kinds of decisions, not every day, but certainly frequently in the course of our everyday lives.

Although CFCs have largely been removed from aerosol sprays, it is an example that existed at one time. It may not be relevant now but I can remember as a young student preaching a sermon at Windsor Park United Church in Winnipeg. It was about 1976. I was concerned about ozone then. I remember suggesting to the congregation that perhaps we should have a Sunday when everyone brought in their aerosol sprays and we would dump them at the front of the church and renounce their use because they were contributing to the CFCs which are now in the atmosphere eating up the ozone layer.

Needless to say in 1976 this was not an idea that was well received. This was seen as the sort of, to put it bluntly, lunatic ravings of some university educated idealist who did not understand the practical realities of the world.

The practical reality of the world in 1992 is that the ozone layer is depleting because the so-called idealists of 1976, 1978, 1979, 1982 and 1983 were not listened to in time. There was always some commercial or business priority, some commercial or business practicality that had to be heeded. It may well be too late when it comes to the ozone layer, although let us all hope not.

I can remember when we first mentioned the ozone layer in this House back in the early 1980s. The member for Regina—Qu'Appelle was the first member here to raise the whole question of greenhouse gasses and the greenhouse effect. People thought he was talking about growing tomatoes, I think.

When we raised the issue of the ozone layer even back during the time of the Liberal government there was no willingness to hear about the significance of these problems at an early time. We always seem to wait until the last minute and we cannot afford to wait until the last minute when we are playing with the life of the planet, when we are literally playing with creation, to put it theologically.

We are playing God when we put our own economic self-interest or even our own convenience ahead of what we now know is the well-being of the planet.

It truly is a moral and ethical question of the utmost severity and yet it does not seem to be treated that way. Maybe it is hard to treat it that way. Maybe it is hard to go through life trying to think of things in these terms but that is what is at stake.

There is such a thing as inter-generational morality, inter-generational responsibility and what we have seen in the post-war industrialized world is a complete abdication of that sense of inter-generational morality. Everything has been measured in terms of what is best for the next quarterly profit margin, or at best the yearly profit margin, without taking into account the long-term effects of the kinds of products we have been putting on the market and the kind of damage that may be done to the environment by those products.

• (1840)

We cannot go back to 1976. We cannot go back to the early 1980s. The CFCs that could have been prevented from going into the atmosphere then cannot be taken back. I wish they could, but they cannot be.

All we can do now is what has to be done as quickly and as decisively as we can. That means having a massive governmental effort to replace those products in the marketplace today which are still dependent on CFCs and using the tax system, as I have suggested, in the interim to discourage the use of certain products and to encourage the use of other products.

At the individual level, as I have already said, we have to begin to place these choices before us constantly and see them for what they are, the many times we are choosing individually and collectively for our own convenience; not our necessity, not our survival, not our daily bread or something like that, but just our convenience.

What a horrible thing it will be if 100 years from now, it is said that for the sake of comfort the industrialized world of the 1950s, 1960s, 1970s and 1980s brought into peril the entire human prospect. Yet that is what may be said if there is anybody around to say it, if we do not smarten up and smarten up very soon.

There was a time when the children of the world, and I was one of them, felt the nuclear cloud hanging over their heads. People who were born after 1945 lived with the notion that someday they might be blown right out of existence altogether, obliterated, especially if you grew up around the Cuban missile of 1962 crisis when people were practising how to hide under their desks and head for bomb shelters and do other things. It never really leaves you.

It has sort of left because of the end of the cold war, et cetera. I was greatly relieved that young people, children, may never have to live with that threat again. I hope that is so, although I am concerned about the proliferation of nuclear technology and nuclear weapons.

But the children today have an even greater threat in some respects hanging over them. That is the threat of environmental destruction. The nature of that threat is different because with respect to the nuclear threat we always knew that if the world could just come to its senses it could destroy those nuclear weapons. It could put them out of commission, and it would only take one day to decide not to do this any more. The problem with the environmental threat is we could decide today not to do this any more and it might still happen because of what we have done already and the unintended and still unknown effects of what we have done already.

There is lead time involved when it comes to the environmental threat. That is why it is absolutely imperative that those of us who live now, those of us who have influence now, those of us who are members of Parliament now, those of us who are cabinet ministers now, do what we must do and what we have a responsibility to do now so the people of the future can have some chance at living a normal human life.

Mr. A. H. Harry Brightwell (Perth—Wellington—Waterloo): Mr. Speaker, I would like to respond to the private member's motion. My comments will focus largely on the consideration of economic instruments for environmental protection and how the government is proceeding in this area.

This motion proposes that the excise tax on auto air conditioners be modified so that the tax would only be applied to units using CFCs, chlorofluorocarbons. Ac-

cordingly this proposal represents an example of using an economic instrument for the purpose of helping to achieve an economic environmental objective. In this case the environmental objective is the phasing out of ozone depleting CFCs.

It is interesting that when the tax was placed in the first place it was to try to discourage people from using air conditioners. Apparently there is an acceptance now that this is not going to work and we have to fine-tune it so that they can use air conditioners if they are of the right type.

I think we have maybe an even bigger problem and that is to harvest the CFCs in the old car air conditioners that are so common in our community. I think there is a program in place now forcing that very issue.

The use of economic instruments for environmental protection is identified in the green plan as an important area for further consideration. There is a number of different types of economic instruments including environmental charges which are designed to increase market prices to reflect the environmental costs of certain decisions. The proposal contained in this private member's motion is one example of this type of instrument.

Another example is the emissions trading programs which are designed to create a market and price for the access to an environmental resource. Another is subsidies which are designed to encourage certain decisions that benefit the environment and still another are deposit refund systems which include the systems used for soft drink containers in most provinces.

All economic instruments work through the market to encourage producers and consumers to make choices that are better for the environment. Some of these instruments such as environmental charges work through the market by having a direct effect on the prices facing consumers and producers.

The emissions trading programs by contrast involve setting a ceiling on the total allowable emissions of a pollutant. The total allowable emissions are then allocated in the form of permits which authorize sources of the pollutant to emit up to a specified amount during a specified time period. These permits may be bought and sold. In this way a tradable permits program creates a market and a price for the use of certain environmental resources.

As stated in the green plan, economic instruments have a number of potential advantages when compared to the traditional regulatory approach which is often referred to as the command and control approach.

One of the main advantages of economic instruments is that they can achieve environmental objectives at lower cost to the economy. Changing market signals mean that producers and consumers have the flexibility to decide how best to modify their activities to protect the environment. As a result these decision makers can select the methods that involve the lowest cost given their own circumstances and the various options available to them.

A second important advantage is that economic instruments provide a continuing incentive to develop and apply new methods to control pollution. By comparison, regulations offer no comparable incentive for the user of cleaner products or processes once the regulatory requirements are met.

At the same time the green plan indicates that the practical application of economic instruments requires careful consideration. There is a number of reasons for this.

First economic instruments are not suited to all types of environmental issues. In the case of an extremely dangerous substance, for instance, the more rigorous controls of a regulatory program would be a more appropriate approach.

Second, environmentally effective applications of economic instruments can involve complex issues of design and implementation.

Third, some applications raise difficult issues regarding their potential effects on certain sectors and regions.

Finally Canada has had little practical experience with the use of economic instruments.

Recognizing these considerations, the green plan stated that the government would release a discussion paper and hold discussions on the use of economic instruments for the environment. It also stated that the government would establish a program to support practical research in the use of economic instruments in Canada.

The discussion paper entitled *Economic Instruments for Environmental Protection* was released by the Minister of the Environment in May 1992.

• (1850)

At the same time the minister announced a $1.4 million contribution to the establishment of a university based research program on economic instruments. This program is to help address practical issues associated with applying economic instruments in Canada. It also provides opportunity for training researchers and students in this area and supports the development of a research network.

The discussion paper on economic instruments presents a technical discussion of a number of areas. It discusses the criteria for assessing and designing economic instruments. These criteria include environmental effectiveness, the realization of economic benefits, international competitiveness and distributional impacts.

It discusses a full range of non-tax instruments such as emissions trading programs, users charges and deposit refund systems. It discusses a variety of tax instruments including emissions charges, input charges, product charges, tax incentives and measures that would combine environmental charges with tax incentives.

For each type of economic instrument, the discussion paper highlights some of the potential advantages and some of the practical issues in applying these instruments in a Canadian context. In general, the analysis takes a balanced approach and does not prejudge the final conclusions on economic instruments.

The release of the discussion paper has several objectives. On one hand, it is an educational document for groups and individuals interested in learning more about economic instruments. It provides an information base for advancing research and debate in this area. It also provides a starting point for seeking public input on the use of economic instruments.

The details of the consultation process are currently being developed with input from a variety of interested groups. Through the consultation process, interested groups can provide input on practical considerations and on next steps. This approach will also increase understanding about economic instruments and at the same time help to address issues regarding the practical use of these instruments in Canada.

While the specific example of an economic instrument presented by the member today may be taken as an input into this process, it would be premature to judge this proposal as one that should be implemented. Also the proposal contained in this motion raises a number of difficulties. Examples of these are as follows.

It is unlikely to have an effect on the pace with which ozone depleting CFCs are currently being phased out. I wonder if there is a practical CFC-free refrigeration unit to use in air conditioners in cars.

It would involve phasing out the current tax over the next few years as the auto sector switches to the CFC units. Phasing out the current tax would reduce government revenues by $60 million to $70 million per year. At the present time the loss of these revenues would have adverse implications for efforts to manage the national debt and build for sustainable growth.

To sum up, the potential for making effective use of economic instruments is an area that is receiving further consideration under the green plan. While the private member's motion is one example of an economic instrument, it is not at all clear that this example in itself would provide benefits to the environment or benefits to Canada.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, I intended to make an intervention on the proposal made by the member for Winnipeg Transcona tonight, but having heard the intervention of the member for Perth—Wellington—Waterloo I cannot help but focus on the remarks he just made.

I wonder whether he has read the document he talked about extensively, namely the discussion paper on economic instruments. If the member for Perth—Wellington—Waterloo had a chance to study the discussion paper on economic instruments he would not have quoted it in the House. It is an insignificant catalogue of potential measures. It has had no impact since its

publication last May, as witnessed by the fact that public consultations have not even started.

What can you consult about if you produce an insignificant catalogue of measures without any indication what the government might be prepared to consider or what the potential is of each instrument?

That economic instrument paper of last May which the Minister of the Environment produced with a one year delay on the originally intended schedule is a joke. To come into this House and say we cannot proceed on this very modest measure because it would reduce government revenue by implementing it, shows the bankruptcy of ideas on the part of the government on whose behalf the member for Perth—Wellington—Waterloo is speaking.

The hon. member gave us a beautiful speech on tradable permits and on economic instruments. Then he told us that in Canada we have little experience with economic instruments. Well, no wonder. We are doing nothing about applying them.

Year after year, since 1987, we have asked the Minister of Finance to apply certain economic instrument measures from an environmental point of view. Our requests have fallen on deaf ears.

When the announcement was made in 1990 that the government would produce an economic instrument document under the auspices of the green plan, we were very glad. It did not come out in 1991 as planned. It came out in May of 1992, as the member for Perth—Wellington—Waterloo quite rightly indicated. When we saw it, it was a non-document, an insignificant catalogue.

One has to ask how on earth can we collect practical experience if we do not introduce the measures. What is the government waiting for?

The hon. member for Winnipeg Transcona has proposed a good measure which he explained very well. In essence, it says that the $100 excise tax should be removed on cars which are free from chlorofluorocarbons for air conditioning. It is a beginning. It is a modest measure, but as the member indicated, it is a way of using the tax system to protect the environment and actually to enhance it. It is a way of meshing and integrating taxation with environmental goals.

When one does that, the answer is that it cannot be considered because we have little practical experience. So the question is: When are we going to get the experience?

Will the Minister of Finance in his statement tomorrow introduce some measures which will allow us to gather some experience? We will hold our breath, of course, but I doubt it very much. Because the experience has been over the past five years that every suggestion which has been made from the opposition benches to the Minister of Finance to introduce certain economic instruments from an environmental point of view have been happily ignored.

I am therefore asking what this government has on its agenda. What is its real green plan because when ideas are proposed they are rejected?

This evening, the hon. member for Winnipeg Transcona gave us a good example of meshing and integrating transport and the environment. In that respect he has done us a good deed, to use his vocabulary. He is saying we should use tax incentives to encourage and drive technological change. An incentive of that nature of course would encourage the buyer to favour a car which has an air conditioner that does not use chlorofluorocarbons.

• (1900)

We would not want to stop at that. We could introduce excise tax incentives in favour of cars with a lower number of cylinders and a higher performance per litre of gas and so on. This could also apply to the GST. The GST could be biased in favour of environmentally friendly products, from the bicycle to the canoe.

In other words, this concept could be applied in a variety of ways in a manner that would indicate what we are trying to do here is mesh environmental goals with taxation measures, with fiscal measures and with transportation activities using all possible instruments available.

Unfortunately this is not falling on receptive ears. The hon. member for Winnipeg Transcona has given a leading practical application of the concept of sustainable development by meshing a taxation measure with a transport instrument.

As I said, it could be applied in a variety of ways within the transportation sector but you would not want to stop there. You could mesh environmental goals with energy policies. You could mesh environmental goals with agricultural programs. You could mesh environmental goals with any sector of programs and policies that governments have at any level. You could do the same within the jurisdiction of a municipality if you had a council that was inspired and committed to sustainable living and sustainable growth. You could do that at the provincial level as well as at the federal level.

The sky is the limit to the scope of practical applications that could be made in integrating environmental goals with the policies and programs that exist at all levels of government.

I see that my time is up. I would like to conclude by congratulating the member for Winnipeg Transcona for his fine idea and saying to the government it is high time to move from the rhetoric and preaching to the practical application of sustainable development if the government is really serious about it.

Mr. Ross Stevenson (Durham): Mr. Speaker, I would like to take this opportunity to respond to the private member's motion requesting the removal of the excise tax on automobile air conditioners that do not use CFCs.

I support the motion as far as it goes. In fact just after I arrived here four years ago I considered bringing this sort of motion in myself because at first glance it looked like an excellent idea.

Certainly the idea of the change to automobile air conditioners that do not use CFCs is a good one. Unfortunately this particular motion cuts two ways because it also has an energy use element to it and the excise tax on air conditioning was originally brought into place to try to conserve the use of energy.

The removal of this tax, while it may benefit the environment in relation to the use of CFCs, does not necessarily benefit the environment when one considers the energy use side.

In my deliberations some time ago, I decided not to bring in a motion of this type because, as the member from Davenport said, we need to consider more than just this particular element in this motion.

Had it gone into several of the areas he mentioned, I would have supported it. I will come back to that subject at the end of my presentation. I want to first discuss some of the actions the Canadian government has already taken in the area of control of production and use of CFCs in the past and actions that will be taken in the future.

The federal government has taken a number of these important steps to address the issue of ozone depletion. In particular, the federal government has committed $25 million of green plan funds to address the ozone layer protection program. These funds support implementation of controls over ozone depleting substances as well as several research and monitoring initiatives.

I would like to take a few moments to elaborate on several specific initiatives that have been undertaken in this program. Under the ozone layer protection program, Canada has taken action to control ozone depleting substances, including CFCs. Under this program, a number of regulations have been introduced under the Canadian Environmental Protection Act including controls on CFCs.

Certain applications of CFCs are banned, including aerosols, small refillable cans and plastic foam food packaging. These regulations represent only one of the mechanisms used in Canada to reduce consumption of ozone depleting substances.

Environment Canada has also undertaken educational programs and extensive consultations with other levels of government, industry and environmental groups and the Canadian public. One of the outcomes of the consultation was the decision to target the phase out of ozone depleting substances by sector, including the phase out of the use of CFCs in automobile air conditioners by the 1995 model year.

In addition to these regulatory and non-regulatory measures to control ozone depleting substances, the ozone layer protection program provides a national action plan for the recovery, recycling, reclamation and destruction of ozone depleting substances.

The strategy proposed under the national action plan is to reduce CFC emissions by managing the existing supply through a comprehensive framework of education, regulation, political co-ordination and other incentives, thereby reducing the production of virgin ozone depleting chemicals.

In March of this year at a meeting of the Canadian ministers of environment, all jurisdictions committed to implementing the recovery and recycling program by the end of 1992. In addition to these actions on controlling ozone depleting substances, Canada is very active in research and monitoring activities relating to the ozone layer.

Earlier this year the Government of Canada announced the establishment of a permanent high Arctic ozone observatory on Ellesmere Island, which will contribute to domestic and international ozone research. Specifically intended to study Arctic depletion, the observatory will provide an increased understanding of how changing conditions are affecting Canada.

The observatory is also intended to create partnerships among Canadian universities and the international scientific community. In addition to the Arctic observatory, Canada is contributing to international research as a participant in a joint research prediction and impact program with the U.S., Japan, Europe, and the Commonwealth of Independent States.

In the area of monitoring, Environment Canada launched ozone watch in March of this year, which provides Canadians with a weekly report containing the most up-to-date information on the status of the ozone layer. In May of this year the UV advisory program was launched to provide daily information on the intensity of the sunlight's ultraviolet rays. Last month the federal government announced that the World Ozone Data Centre in Toronto will be expanded to include a new world data centre for ultraviolet radiation. The data collected will contribute to international scientific understanding of the relationship between UV radiation and the ozone layer.

The government is also committed to its strong and active participation in international activities designed to protect the ozone layer. Ozone depletion is a global problem that requires a global solution.

You may recall that Canada was the first country to ratify the 1985 convention on the protection of the ozone layer. The Vienna convention established a framework to protect the earth's upper atmosphere through co-operative international effort. Canada also played a key role in the development of the Montreal protocol to the Vienna convention. The Montreal protocol was the first accord of its kind and set up a global precedent for the safeguarding of both the environment and human health. Canada signed the Montreal protocol in 1987 and pledged to cut its use of ozone depleting chemicals in half by 1999.

In 1990 the parties to the Montreal protocol met in London, England, where they agreed to phase out CFCs by the year 2000. At this meeting Canada and 12 other nations further agreed to phase out CFCs by 1997, three years in advance of the revised protocol.

The fourth meeting of the parties to the Montreal protocol took place last week in Copenhagen. I am pleased to report that the treaty was strengthened for the second time. On the matter of the CFCs, the parties agreed to phase out 75 per cent of their use of CFCs by January 1, 1994, leading to a total phase out by January 1, 1996.

I am pleased to report that this government's ozone layer protection program is successfully achieving results. The Government of Canada announced that the country had achieved a 58 per cent decrease in CFC use by June 1992. This said, the scientific evidence regarding the ozone layer continues to be compelling.

The Acting Speaker (Mr. DeBlois): I apologize but your time has expired.

There being no further members rising for debate, the time provided for the consideration of Private Members' Business has now expired.

[*Translation*]

Pursuant to Standing Order 96(1) the item is dropped from the Order Paper.

It being 7.14 p.m., the House stands adjourned until 2 p.m. tomorrow, pursuant to Standing Order 24(1).

The House adjourned at 7.14 p.m.

HOUSE OF COMMONS

Wednesday, December 2, 1992

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*English*]

WESTRAY MINE DISASTER

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Mr. Speaker, as the labour critic for the Liberal Party and following the tragedy at the Westray mine, I have received many letters from the families who have been affected by the events. I would like to read one of the letters. It is from Mr. David Sample, a draegerman:

> The inquiry is quashed, the federal government has voted four to two not to investigate the financing into Westray mine. Now the company wants to flood the evidence of the explosion. This reads like a cover-up.
>
> The top seven managers of Westray seem to have all the rights. What happened to the 26 men? Is this of little importance? When they died did their rights die with them? Are other miners going to die because it was or is against some people's constitutional rights to find out the truth?
>
> The wives of our deceased comrades were told in court by Westray lawyers that they have no legal standing as to whether or not the mine should be flooded. If they have no legal standing, who does?
>
> We the miners, draegermen, and the family members will not be pushed aside. We will be heard and will not let this issue go until our questions have been answered.

I ask this House to demand an inquiry into the Westray mine disaster.

* * *

[*Translation*]

TAXATION

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, in a study on sustainable economic development published in November 1992 the *Conseil du Patronat du Québec* asked the federal government to drop a proposal in the 1991 Wilson budget whereby businesses would no longer be able to deduct provincial payroll taxes, which are used to finance health services, and provincial capital taxes from federal corporate income tax.

The *Conseil du patronat* commented that at a time when the economy is in bad shape, payroll taxes are a particularly regressive form of taxation because they mainly penalize labour intensive businesses. Implementation of this tax measure would inevitably result in a loss of jobs in Quebec.

* * *

[*English*]

NORTH AMERICAN FREE TRADE AGREEMENT

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, the public hearings on the North American free trade deal are a complete sham. The government has failed to provide Canadians the opportunity to debate the future of our nation. These hearings have been intentionally structured to limit public debate and scrutiny of this trade package.

At the subcommittee hearings this week in Vancouver participants repeatedly rebuked the government for its blatant attempt to stifle debate and minimize opposition of this deal. Participants did not have time to prepare detailed critiques. They did not have time to adequately present them. They could not even get printed copies of the trade agreement.

During testimony the interpretation by the telecommunications workers' union of a particular chapter arose and, surprise, surprise, committee members could not even get a copy of the agreement to refer to.

During the referendum Canadians demanded opportunities to learn about and participate in purposeful debate. Once again, this government is selling Canadians short by keeping us in the dark on the rewriting of our

economic constitution through the North American free trade agreement.

* * *

REPUBLIC OF SKOPJE

Mr. Gus Mitges (Bruce—Grey): Mr. Speaker, at the upcoming Council of Europe meeting in Edinburgh there could be a tendency toward reversing the Lisbon decision which states that the Republic of Skopje would not be recognized if it insisted on the use of the word Macedonia as its name.

Macedonia is a Greek name. It has always been part of the history of Greece and of the Greek people. It is not to be usurped by others including the Slavo-Albanian country of Skopje which has neither ethnological nor historical relation to Alexander the Great's Macedonia.

A reversal of the Lisbon agreement would not only be dangerous but would also wound the European Community's credibility and prestige. It would also loosen the solidarity among its numbers and create greater destabilization in the Balkans.

However, the compliance of Skopje with the Lisbon decision not to use the name Macedonia in its name would go a long way toward the establishment of security and friendly relationships between the two countries, Greece and Skopje. Let us hope this will be the case.

* * *

BREAST CANCER

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, this past Saturday, Jill Jackson passed away after a courageous battle with breast cancer. She was 33 years old.

A co-founder of Breast Cancer Action, Jill was determined to do something about this dreadful disease. Those who knew Jill talked about her tremendous energy and optimism, and about her efforts to ensure that the government not only agree with the June 1992 report of the status of women subcommittee on breast cancer but indeed act upon its recommendations.

Jill helped design the ribbon I am wearing today. The tear-drop shape represents the tears shed when we or our loved ones are diagnosed with breast cancer. The rose pink colour represents the 15,000 Canadians diagnosed with breast cancer each year and the black lining is in memory of the 5,000 women who lose their lives to this disease every year in Canada.

Today across Canada 40 women will be diagnosed with breast cancer and 12 will die. Thus, there are 52 families who are today devastated by this disease for which there is no prevention, no known cause, and for which the treatments currently being offered fail thousands of patients each year.

Breast cancer must be a national priority. In 30 years the probability of getting this disease has risen from one in 20 Canadian women to one in nine.

As Jill said: "The time for action is now".

* * *

[*Translation*]

VIOLENCE AGAINST WOMEN

Mrs. Marie Gibeau (Bourassa): Mr. Speaker, yesterday *The Toronto Star* announced that a group of women were coming to Ottawa to prevent the Prime Minister from wearing the white ribbon symbolizing the campaign against violence against women. These women claim the government has not done enough to fight violence to earn the privilege of wearing that ribbon.

I would like to ask these women, who intend to invade the private residence of the Prime Minister and his family, where they were when the Prime Minister's own daughter was verbally assaulted in a local rag. Did any of these women come to Ottawa or demonstrate against this kind of humour, which is degrading and humiliating for all women?

An hon. member: Not one.

Mrs. Gibeau: Before accusing others, these women should make sure their position is consistent. I would urge them to show some compassion and support for their sisters before preaching to their brothers.

* * *

[*English*]

MINING INDUSTRY

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, the massive lay-offs at the Lingan and Phalen collieries in Cape Breton have resulted in 1,000 miners out of work just before the Christmas holidays.

Given the urgency of this situation, it is absolutely critical that the Government of Canada work with the provincial Government of Nova Scotia and assist the Cape Breton Development Corporation in getting the Donkin coal mine in operation.

As an international coal supplier Devco cannot afford to lose any of its market.

The Donkin mine was launched in 1980 at a cost to the federal treasury of approximately $55 million.

• (1410)

I call upon the minister responsible for the Cape Breton Development Corporation as well as the Minister of Employment and Immigration to open the Donkin mine immediately and to put a program in place to assist the displaced miners who are affected at the Lingan colliery, to clarify immediately when exactly these miners will be in receipt of the unemployment insurance benefits they so desperately need.

At the present time, these workers have been receiving conflicting information with regard to their unemployment insurance.

The situation is critical. On behalf of the miners and their families, I urge the minister responsible to process these claims and get some money out to these men and their families before the Christmas holiday season.

* * *

THE ENVIRONMENT

Mr. Ken Monteith (Elgin—Norfolk): Mr. Speaker, the Minister of State for the Environment has asked me to report to the House an unprecedented event that occurred last week in Aylmer, Quebec.

The federal government's green plan made commitments for protected spaces and species, including the completion of the national parks system by the year 2000 and the establishment of a national wildlife habitat network.

In the spring of 1991 there was a unanimous House of Commons resolution calling on the federal government to consider the advisability of preserving and protecting in its natural state at least 12 per cent of Canada by working co-operatively with the provincial and territorial governments and assisting them to complete the protected areas networks by the year 2000.

In support of the foregoing and in recognition of Canada's 125th anniversary the Canadian Council of Ministers of Environment, the Canadian Parks Ministers Council and the Wildlife Ministers Council of Canada met jointly for the first time ever.

They supported ratification of the biodiversity convention and agreed on a plan to develop the Canadian biodiversity strategy. They endorsed a statement of commitment to complete Canada's networks of protected areas.

This meeting of three councils of ministers received support in their actions from the Canadian Council of Forestry ministers and representatives of the four major aboriginal organizations in the country: the Inuit Tapirisat of Canada, the Assembly of First Nations, the Native Council of Canada, and the Métis National Council.

The recurring theme throughout the session was the emphasis upon the need for co-operation and strong working relationships between all jurisdictions and interested parties.

* * *

CAROLINE TEGHISADEH

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, Canada is again deporting genuine Iranian refugees.

Last year it took a public outcry to prevent the removal of a woman who was flogged in Iran because she did not wear the traditional veil.

Now Caroline Teghisadeh faces removal on December 7 because the IRB disputes her claims of torture and does not consider sex discrimination a ground for refugee status.

Amnesty International, the European Parliament and the United Nations Human Rights Commission have condemned Iran for public flogging and stoning of women in accordance with the Iranian Penal Code.

Sixty-two United States senators have written to the UN Secretary-General, Boutros Boutros-Ghali, condemning these gross violations of human rights in Iran.

In view of this public information, I call on the immigration minister to intervene in Caroline Teghisadeh's case, stop her removal and land her in Canada.

I call on Canada's Parliament to protect women who have escaped from harsh discrimination against their sex.

* * *

VIOLENCE AGAINST WOMEN

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, on Sunday I will be attending a candle light vigil at the Markham Peace Garden. I will be joining Jacquie Cushing-Dill and other people who have organized this annual vigil to honour the 14 women who were murdered in Montreal in December 1989.

All levels of government are working to tackle the insidious and widespread problem of abuse of innocent women. There is, however, much more to be done to alleviate the problem of violent and emotional abuse of women.

As a society, we must have zero tolerance for the mistreatment of women. We must eliminate this problem that touches the lives of so many Canadians.

My dream is that our daughters and granddaughters, the children of tomorrow, will be safer than our wives, sisters, mothers and children are today. We must not leave them with a legacy of brutal pain and violence.

* * *

INDUSTRIAL RESEARCH ASSISTANCE PROGRAM

Mr. David Berger (Saint-Henri—Westmount): Mr. Speaker, when the Prime Minister first ran for office, he promised Canadians jobs, jobs, jobs. However, it seems that what he really had in mind were lost jobs, lost jobs and more lost jobs.

In a speech two weeks ago the Prime Minister outlined a number of initiatives which he said would contribute to our prosperity. One such initiative would be to increase the budget of the National Research Council's Industrial Research Assistance Program. He said that this program has been judged an unqualified success especially for smaller firms and that it will be expanded.

This decision while welcome is long overdue. In 1985 the Neilsen report concluded that IRAP worked. Yet since then the program's budget has been frozen, its network of technology advisers cut back, and the real value of contributions to the private sector across Canada has declined by 30 per cent.

Seven years have gone by. Jobs, sales and exports have been lost. This is the real legacy of this government: lost jobs, lost sales and lost opportunities.

* * *

SMALL EXPLORERS AND PRODUCERS ASSOCIATION OF CANADA

Mr. Ken Hughes (Macleod): Mr. Speaker, the Small Explorers and Producers Association of Canada represents 300 firms involved in oil and gas exploration and development based in Alberta and Saskatchewan.

This group, known as SEPAC, approached the Progressive Conservative Alberta caucus some time ago with a proposal designed to help small operators take advantage of current changes in the upstream energy business. Alberta MPs worked closely with SEPAC to refine these proposals.

We are talking here about firms with from one to ten employees which are part of the entrepreneurial small business backbone of the nation. These are the kinds of businesses led by men and women who are not afraid to take risks which will generate jobs for Canadians, generate wealth for a nation, and help lead this country into a strong and resilient recovery.

My colleagues from Alberta and I call upon the Minister of Finance to respond positively to these proposals in his comments later today.

ORAL QUESTION PERIOD

[*English*]

GUN CONTROL

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, my question is for the Minister of Justice.

As we approach the third anniversary of the Ecole Polytechnique massacre we must recognize that our gun control laws are still seriously inadequate. Last year the number of Canadians killed with hand-guns doubled from the previous year.

Last week the mayors of Canada's largest cities recommended that the regulations on hand-guns be substantially tightened. They made specific recommendations including an operational principle that when in doubt officers issuing gun permits should say no.

To respond to the 80 per cent of Canadians who want better protection against firearm violence, will the minister implement the excellent recommendations made by Canadian mayors last week?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I think the comments made by the mayors and in fact their ongoing contribution to this file have been very constructive and very helpful.

With respect, I think the measure they are recommending to be put in place can quite properly be put in place by the provinces. It is not something that requires legislative change. In fact it is not something that really lends itself to a legislative or regulatory formulation although I am happy to examine that.

It is my view that it is more properly within the domain of the provinces. I am quite prepared to raise that with my provincial counterparts when I meet with them about a month from now.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, the minister is quite correct in that this is a regulatory or administrative matter, and I would appreciate her taking some leadership.

The three handguns used in killing four professors at Concordia University last August demonstrate the continuing weakness of our present laws. Two of those hand-guns belonged to the killer's wife who obtained them for target shooting and then gave them to her husband. The third belonged to the killer who had also been issued a permit, although he had been refused on two previous occasions. Concordia University had warned the police about his threats.

Is the minister satisfied this is the best we can do in preventing violence with guns? There is overwhelming evidence that where guns are less available there is less crime with guns.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, as the hon. member will know, not all of the legislation and regulatory measures that this House has worked so hard in creating have been fully implemented.

The provisions with respect to the new firearms acquisition certificate and the capacity for very intense screening there, for example, will come into force on January 1.

What I am trying to do as a first priority is to get all those provisions implemented so that the gun control regime in Canada is what Canadians think it is, so that it corresponds exactly to what they have read about in Bill C-17 and its regulations. At that point I am very happy to look to see if there are other things we might do to make the system work better.

I know the hon. member would agree from his long experience with this file that it is an ongoing issue that has to be dealt with in the light of changing aspects of Canadian society. I will certainly continue to address it as minister.

[*Translation*]

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, according to a recent study 47 per cent of women murdered by their husbands were killed with a firearm, and 70 per cent of those firearms were legally obtained by these criminals.

• (1420)

Is the minister satisfied with this intolerable situation? Can she give us one good reason why an ordinary citizen who is not a policeman or a member of the armed forces can legally own and use a revolver? If not, why will the minister not accept the excellent recommendations made by the mayor of Montreal and other Canadian mayors?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, if I am not mistaken, the mayors did not recommend an outright ban on hand-guns. I agree that firearms are a problem where family violence is concerned.

[*English*]

In my opinion the provisions we have put into the legislation dealing with peace bonds and bail hearings in order to provide powers for the courts to make prohibitions of the possession of firearms in any circumstance, particularly the circumstance of domestic violence where somebody is seeking a restraining order or peace bond, I

think will go a very long way toward taking firearms out of those very dangerous situations.

* * *

YOUNG OFFENDERS ACT

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, my question is also for the Minister of Justice. The minister will know that youth crime has increased by 20 per cent in the past five years and in fact youth violent crime has doubled in that same period.

The minister has for more than a year been speaking with attorneys general across Canada to develop some changes to the Young Offenders Act. She promised that we would have these changes by September. It is now December and these amendments have not been brought forward. When is the minister going to bring forward much needed amendments to this very important legislation?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, it is a source of regret for me in this file and a number of others that the business of this House and the business of the government were interrupted by the referendum process, a necessary process but one which unfortunately drew attention away from some of the other ongoing files we were dealing with.

Obviously there is very little time left in this sitting to enable us to do this, but I hope in the spring to be able to do this. I will be announcing in coming days a very important national consultative process with respect to community safety and crime prevention that I hope will contribute measurably to the quality of what we bring forward with respect to young offenders and other issues concerning the safety of Canadians in their communities.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, with all due respect, we have been waiting two years for these amendments. While we did have the referendum with which to deal the House was not sitting and surely that would have given the department more time to work on this.

Also the important initiative the minister talks about is in March. If that was an excuse, which it is not, then that initiative would certainly be more relevant if they had something to consider.

We should not have to wait till the spring for these important changes. Canadians are concerned that they are losing the fight against crime. They want to be able to protect their homes and their streets. When is the minister going to realize that and do something to bring forward more meaningful legislation to deal with this problem?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I will bring forward measures for this House to consider as soon as I am convinced I have measures that are the best considered and the best reasoned measures that will actually do something to change the situation in Canadian society and not simply satisfy those with an urge to make rhetoric on that subject.

* * *

THE ECONOMY

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I understand that later this afternoon the Minister of Finance will make an economic statement to this House. Certainly Canada is in great need of hope when we see 1.6 million unemployed, 2.3 million people using food banks, and one in six of Canada's children living in poverty.

There is a tendency to blame the Minister of Finance for this solely, but a disastrous record like this takes a team effort to achieve so I would like to ask the Minister of Transport a question.

He will understand, I am sure, that the economic base of any country is an adequate transportation system to move our goods not just north and south, as his policies seem to indicate, but east and west and to the north.

When is the Minister of Transport prepared to bring forward a policy on transportation for this country not based on the crisis of the day, on the airlines, or on wiping out jobs in the rail sector, but a real transportation policy for this country on which the economic base can be built?

[*Translation*]

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I believe our transportation policy does provide that the transportation industry must give Canadians a system that is effective, reliable, competitive and safe.

[*English*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, it is clear the Minister of Transport does not have a vision for transportation in this country.

I would like to direct a supplementary question to the minister of trade. There is no doubt about the results of the Canada–U.S. trade deal. The statistics indicate that we have 350,000 more people out of work. There are plants closing and there are many effects of the trade deal on Canada. Yet the minister persists on proceeding with taking Canada into a NAFTA deal, taking the bad Canada–U.S. trade deal and making it worse. This is a strategy which is designed to move jobs out of Canada and to make it more accessible simply for capital.

When is the minister of trade prepared to bring in a trade policy based on job creation, not job loss?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I am surprised my hon. friend would ask that question. Yesterday the House in a resounding fashion approved the trade policy of this government which is to bring in the free trade agreement and then the NAFTA.

If my hon. friend would read the speech that I made in the House yesterday she would see that I said the exports to the United States as a result of the free trade agreement had resulted in an increase in exports this year of some 10.5 per cent. I do not know what sort of arithmetic my hon. friend would use if she cannot translate that 10.5 per cent increase in exports this year over last year and the $16 billion plus that we have had since the free trade agreement came in.

Every billion dollars of increased exports represent 15,000 new jobs. That is 225,000 new jobs. That is a job creating trade policy.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I would suggest that Canadians are much less interested in reading the hon. minister's speech than they are in having jobs. If the minister would go across this country he would see the job loss and the devastation being caused in this country because of the trade deal.

[*Translation*]

I have a supplementary question for the Acting Prime Minister. The Prime Minister told us that the basic elements of his economic plan are in place. The Minister of Transport says that deregulation is working. The minister of trade says that free trade is working. My question is: If all these things are working well, where are the jobs?

[*English*]

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, if the hon. member noticed, there has been growth in job creation in six of the last seven months. Full-time jobs are being created though not at the pace we would like them to grow.

I want to remind the hon. member of a number of things. "Canada is seen leading the G-7 growth" and "Economy starts to speed up", those are the kinds of stories that are happening now as a result of some of the measures we have taken at the federal level.

Later this afternoon the Minister of Finance will deliver an economic statement that I am sure in one hour's time the hon. member will be applauding.

* * *

PHARMACEUTICALS

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs.

Dr. Stephen Schondelmeyer, a world renowned economist, testified:

> The cumulative cost of Bill C-91 from 1993 to year 2000 will be $4 to $7 billion for each and every penny coming from the taxpayers and health care systems in Canada.

How can the minister possibly pretend that he is protecting Canadian consumers when he is nothing short of an accomplice in a $7 billion drug heist?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, it is surprising that the opposition parties, which are always against free trade and the North American agreement, have used two Americans, one yesterday and another one today, to give Canadians a lesson.

In fact the Canadian system in place since 1987, with the foundation we put in place, lets Canadians have drugs for a third less than the Americans pay.

• (1430)

What we have maintained with our very strict controls on drug prices will be reinforced as a result of the new powers being given to the Patented Medicine Prices Review Board, which means that from now on controls will be even tighter.

In the United States, the Americans are looking at setting up a system like ours, including a drug prices review board, and appropriate legislation is now being considered. I invite the Americans to keep looking at what we are doing and benefit from our experience.

[*English*]

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my supplementary question is for the Minister for International Trade. In exchange for giving $7 billion from the health care system in Canada this government has received only vague and unenforceable promises of some future investment by these multinational companies.

Why has the Minister for International Trade caved in to the multinational drug lobby in Washington, and why is a Canadian minister more concerned about the profits of these companies in Washington than he is with the integrity of the Canadian health care system?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend is wallowing in such an incredible amount of misinformation about this legislation with his use of that $7 billion figure. He knows that the experts from the Department of Industry, Science and Technology have refuted that figure and last night gave the committee point by point reasons why that $7 billion figure is totally out of reality.

My hon. friend has not referred to this, but we also tabled last night a study which stated that the increased cost of the drugs would be $129 million over a five-year period.

Just to give my hon. friend some sense, and you, Mr. Speaker, about some of the—

Some hon. members: Oh, oh.

Mr. Wilson (Etobicoke Centre): I just wanted to make sure I was addressing the Chair. There is an article in *The Toronto Star* today by Dalton Camp. He refers to increases in drug prices on about half a dozen drugs. Not one of the drugs mentioned is subject to patent protection. All of them are off patent protection.

That is the difficulty we have in getting the true message out about why this legislation is good for the country, will create jobs, create research and development and will result in protection on price.

* * *

AIRLINE INDUSTRY

Mr. John Manley (Ottawa South): Mr. Speaker, according to the terms of the loan agreement between the government and Canadian Airlines the government has demanded of Canadian Airlines that it restructure its finances, meet with the government and with Air Canada, and permit a representative of the government to sit in on its board meetings.

My question for the minister is this: What is the government doing to address the structural problems in this industry that prevent the companies from being profitable?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, we have been very clear on this. A certain number of the problems experienced by our airlines over the past few years are exactly similar to the problems experienced by all airline companies around the world.

I mentioned in my statement last Thursday that we are examining the possibilities to make sure that after Canadian Airlines has restructured we will be in a position to put in place some calibration of the situation so that we can maintain a viable airline industry in Canada.

Mr. John Manley (Ottawa South): Mr. Speaker, if the minister thinks that the problems of the airline industry are going to be self-correcting he should not have put taxpayers' money at risk.

The minister talks about—and he used the word again today—recalibrating the regulatory framework. When is he going to stop using this bureaucratic mumbo-jumbo and translate it into plain language and real action?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, again the hon. member, I presume not deliberately, is trying to mislead the Canadian taxpayers by saying that we have put money at risk. He pretends that he has seen the loan conditions. If he has seen the loan conditions he

should be telling the Canadian taxpayers that their government has taken care of their interests.

* * *

AGRICULTURE

Mr. Vic Althouse (Mackenzie): Mr. Speaker, my question is for the Minister of Agriculture.

This year a lot of the grain produced on the prairies was frozen. Farmers are having difficulty with crop insurance because the value of that frozen grain is only about 60 per cent of what the coverage level was. The farmers have mostly produced the right volume; it is only a grade loss crop insurance should be paying. Crop insurance is offering 17 cents when the loss is more like 40 cents.

Can the minister report to the House any progress he has made in getting that loss ratio more realistic than what crop insurance is offering.

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, as the hon. member knows, and I agree it was and is a difficult year in grain production, one province removed protection for revenue insurance. Other provinces, Alberta and Manitoba in particular, have that protection. Each province has a contract that has a formula for assessing the quality loss under crop insurance.

The province of Saskatchewan put forward a suggestion that we change that contract retroactively. It would cost the Government of Canada some $60 million and the Government of Saskatchewan, $20 million. Saskatchewan also suggested that we should pass that on to the farmers in the form of higher premiums over a number of years.

I remind my colleague that not all farmers in Saskatchewan have suffered a quality loss. We have attempted to work with the province of Saskatchewan. I will provide $40 million in a yield protection program if the province will join us in making a contribution so that we can assist the producers in Saskatchewan. Alberta and Manitoba producers do not appear to have the same problem.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, a short supplementary.

The minister will know that very little of Manitoba's crop was frozen. Alberta still has the problem. The crop insurance program is what we are talking about. That was not changed by Saskatchewan.

The minister should remember that these farmers, most of them in northern Saskatchewan received the frost but it did go into the south, have been paying their premiums for years and years and watching the benefits of those premiums go south into the drought zone. This is the first year most of these people have had a loss. They will barely collect their premiums back and he is telling us this is fair.

The only loss they have, and it is not going to change the loss register for those farmers a great deal, is on the yield. It is not a huge loss to the whole program but it is about $20 an acre or more to each of them. They have been paying assiduously into the program and never taking anything out of it. The first year they need insurance the minister disappears on them. Why does he not change it and make sure that 100 per cent of coverage is paid when they have 100 per cent loss? He is reducing it by $20.

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, the hon. member suggests that there were not any changes in crop insurance from 1991 to 1992. I would suggest to the hon. member that going from 100 per cent coverage under GRIP down to 80 per cent coverage under crop insurance is a dramatic change.

Contracts were sold with a formula for quality insurance in crop insurance. I have offered, with the province of Saskatchewan, another way of addressing loss. The province of Saskatchewan is suggesting the way to address loss is to have us retroactively change the contract formula again and the federal government provide $60 million and the provincial government provide $20 million.

I am prepared to discuss changes with the provincial government so that the producers in Saskatchewan can have a program that gives them insurance and protection when they need it.

* * *

CANADIAN ARMED FORCES

Ms. Mary Clancy (Halifax): Mr. Speaker, my question is for the Associate Minister of National Defence.

The minister's advisory board on women in the Canadian Forces reported last week saying: "Harassment has been reported by women everywhere in the Canadian Forces". Is the minister, at the very least, prepared to implement the recommendations of that board today?

• (1440)

Hon. Mary Collins (Associate Minister of National Defence and Minister Responsible for Status of Women): Mr. Speaker, I want to thank the members of that advisory committee. I specifically asked them to look into the issue of harassment, not just sexual harassment but broader issues relating to personal harassment and abuse of power. Their recommendations are going to be very helpful to us.

We have already put in place a number of changes that respond to those recommendations and over the coming months we will be addressing the majority of them.

Ms. Mary Clancy (Halifax): Mr. Speaker, the women in the Canadian forces and women across Canada need something a little more concrete than that. To quote from the report itself: "The message that sexual harassment is unacceptable still has not been effectively transmitted to all male personnel after three years of a policy that clearly does not work".

Will the minister tell us what she plans to do? Does she plan to implement these recommendations or does she have another plan of action that will deal this dreadful situation a death blow and stop the at least 40 phone calls a day I have been getting from women in the Canadian Armed Forces?

Hon. Mary Collins (Associate Minister of National Defence and Minister Responsible for Status of Women): Mr. Speaker, I can assure the hon. member that the Chief of the Defence Staff has recently sent out a message to all armed forces personnel dealing with the issue of sexual and personal harassment, indicating this is not acceptable and that we are taking strong measures to deal with it.

Some of those measures include mandatory education for all of our personnel within air command and the establishment of independent assistance, people to whom personnel can go to lay a complaint. It is dealing with a whole new policy which we are bringing forward in terms of enforcement and monitoring.

There are major changes taking place that are going to ensure that women and all members of the armed forces can operate in an environment that is free from all forms of harassment. Our goal is zero tolerance and we are going to achieve it.

* * *

PUBLIC WORKS

Mr. John Harvard (Winnipeg—St. James): Mr. Speaker, I have a question for the Minister of Public Works.

All traffic lanes over the Lockport, Manitoba, lock and dam will be closed January 4. That closure would mean certain decimation of the business community of Lockport and threaten over 400 jobs.

To prevent this disaster emergency repairs are needed now. It was understood that repairs could be made immediately if the province of Manitoba committed itself to negotiate with Ottawa on the federal divestiture of the bridge and dam.

I would like to ask the minister whether Manitoba has made this commitment.

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Speaker, we had the privilege of meeting with the Minister of Highways for Manitoba, Mr. Driedger, and other important officials from his province. I understand there will be a meeting taking place tomorrow with my colleague the minister of energy and the premier.

I can assure him that ongoing discussions are taking place. The preliminary engineering work is being done and I think we can reach a mutually satisfactory arrangement soon.

Mr. John Harvard (Winnipeg—St. James): Mr. Speaker, a supplementary question. As far as we are concerned, Manitoba has already made its commitment and we are asking the minister to live up to his.

I have a letter which states that Manitoba is willing to consider federal divestiture and that it has promised to enter into meaningful negotiations, as requested by the federal Minister of Public Works. To me, Manitoba has met its commitment and repairs should now proceed. I ask the minister again, will he keep his commitment?

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Speaker, I do not think there is any question about us keeping our commitment. Of course we will. However, I have just told my colleague that there will be talks going on tomorrow and that preliminary engineering work is going on. I see no basis, frankly, for the tenor of the question at this time.

* * *

PORNOGRAPHY

Mr. Stan Wilbee (Delta): Mr. Speaker, my question is for the Minister of Justice. Canadians everywhere are constantly sickened by the stories of sexual abuse of children. There is strong evidence all over the place that sexual abusers manifest these deviant tendencies very early in their lives and that most of these behaviour patterns are well set by the time the abusers reach their adolescent years.

It is also very evident that adolescent perverts or deviant sex offenders feed off pornography. I would like to ask the justice minister today just what steps we are taking to completely stop child and kiddy pornography and what has happened to Bill C-51 that was passed a few years ago to deal with pornography.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I am not sure whether the hon. member means Bill C-51 or Bill C-15 relating to the sexual abuse of children.

I think it is Bill C-15, which was legislation proclaimed in 1988 which created new Criminal Code offences relating to the sexual abuse of children. Part of that legislation called for a review five years later. The Standing Committee on Justice and the Solicitor General is reviewing that legislation now. I am looking forward to its report on whether it has been implemented in any province. It may suggest new legislative initiatives.

With respect to child pornography, the hon. member will know that the Butler decision of the Supreme Court of Canada held that even explicit sexual representations that would not normally be considered pornographic would qualify as the undue exploitation of sex if they employ children in their production. That has expanded the scope of the existing law which referred to child pornography. I am now examining provisions I would like to go into the Criminal Code to make possession of such pornography an offence in and of itself.

* * *

[*Translation*]

INTERPROVINCIAL TRADE

Mr. Jean-Pierre Blackburn (Jonquière): Mr. Speaker, my question is for the Minister for International Trade. Regarding the elimination of interprovincial barriers to the free movement of people and goods, despite the failure of the Charlottetown constitutional accord the minister said that he intended to pursue the objectives set out in that accord and to eliminate trade barriers by 1995.

Will the conference this week in Toronto of the minister's provincial counterparts be exploratory or will it make decisions on eliminating certain trade barriers? Also, could the results of this conference have an effect on labour force mobility and therefore influence the conference of employment ministers on labour force training in January?

[*English*]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my colleague is correct. We are going to be having a meeting starting tomorrow with the Federal-Provincial Committee on Internal Trade to study this very issue.

I think the issue has a good deal of support among the provinces as well as many in the private sector. Our approach tomorrow is not necessarily to reach decisions. Where we can I hope that we will, but our approach is to try to see whether there is a way of dealing with the comprehensive nature of these interprovincial barriers and to deal with them within the time frame that the first ministers have indicated this past month that they would like us to.

On the question of labour mobility, my guess is that there would be some limited discussion on this but certainly no decision making and nothing that would conflict with decisions or considerations at the meeting in January.

CANADA POST

Mr. Rod Murphy (Churchill): Mr. Speaker, my question is for the minister responsible for Canada Post and it is in relation to Canada Post communication plans on regional postal outlets.

The document talks about putting service at risk in rural areas, reducing many small businesses postal revenues by up to 13 per cent and 300 businesses refusing the new arrangements while others will go under.

Why in these tough economic times is Canada Post hurting small businesses and putting service at risk in many rural areas?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I am not sure what document the member has but I can assure the House that Canada Post is continuing with its program of opening some 6,000 new retail postal outlets to better serve its customers. Indeed, there is a line-up of applications from small businesses desiring to have a postal outlet in their business because it attracts customers to their store. It is something on which surveys by the post office have indicated a 90 per cent approval rating.

I am not sure why the hon. member would be opposed to something approved by 90 per cent of the users and for which small businesses are literally knocking on the door to have.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, it seems to me that the minister is closing his eyes to the reality of the situation.

My question is for the same minister. According to Canada Post's own discussion paper, by making retail postal operators responsible for their own inventories and freight costs this policy will lead to the elimination of up to 300 of these independent retail operators and drastically reduce incomes of the survivors.

• (1450)

Since the government knows that small business creates most of the new jobs in Canada, why is it allowing Canada Post to proceed with a policy that will force retail outlets out of business while increasing the financial hardships for small businesses, particularly in rural communities where service will be cut?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I am sorry, service will not be cut. Obviously, the member had his question prepared before he heard my answer to his colleague.

The post office is opening 6,000 new postal outlets and small businesses are literally knocking on the door asking to be included. There is no question that the nature of some of the operations is being changed. If the hon. member has checked into any of these new franchise operations he will see that they have changed physically. They are much more attractive, and customers to the tune of 90 per cent plus like the new system.

* * *

ROYAL CANADIAN MOUNTED POLICE

Mr. Tom Wappel (Scarborough West): Mr. Speaker, my question is for the Solicitor General and it concerns RCMP recruitment policies.

In his 1992 report, the Auditor General criticized these policies saying: "We estimate that training and salary costs were almost $2 million for members who left the force during 1989 and 1990 for reasons such as poor interpersonal skills, immaturity, lack of assertiveness and low learning ability".

What specific actions is the RCMP taking to correct these inefficient and costly recruitment procedures?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I am appearing in the House today on behalf of my colleague, the Solicitor General. I think a question of that sort is a question that is more appropriate for me to take on notice on behalf of the Solicitor General who will provide an answer to the hon. member at the earliest convenience.

Mr. Tom Wappel (Scarborough West): Mr. Speaker, I thank the hon. minister for her undertaking.

The Auditor General has also recommended that the RCMP require applicants to know first aid, swimming, CPR, computer skills and take some basic college courses before they are accepted for basic training. He has stated that this measure could save Canadians

between half a million and one and a half million dollars in training costs.

I would ask the hon. minister to inquire as well whether the RCMP is going to implement these cost-saving measures. If so, when, particularly in view of these tough economic times?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, particularly in light of the statement to be made today by the Minister of Finance, I know my colleague the Solicitor General would be grateful for any recommendations to reduce costs in the RCMP.

* * *

CONFLICT OF INTEREST

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is for the Acting Prime Minister.

In the role of the Prime Minister as the minister responsible for the conflict of interest code, the Prime Minister's own appointee in cabinet in the other place has confirmed the hiring of a lobbyist on contract for the government at the same time as the lobbyist in question was lobbying the government on behalf of the communications giant, Unitel.

This is in clear contravention of the conflict of interest rules and the Treasury Board guidelines. I want to ask the Acting Prime Minister: What does the Prime Minister intend to do to ensure that his appointees in cabinet respect his own guidelines?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, the conflict of interest code is applicable to public office holders, not to contractors of the government.

However, as a matter of practice, professional service contracts in these circumstances normally contain a clause requiring those engaged in the course of carrying out the contract to conduct themselves in accordance with the principles of the conflict of interest code. Such a clause was included in the contract with N. J. Jamieson Strategic Consulting. There is nothing to suggest any of the code's principles have been breached in this circumstance.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I hope the minister will table that document.

I want to ask a supplementary in response to what he has said. I quote here from the contracting manual of Treasury Board: "The particular clause must be included in every contract for the services of an individual 'Personal Services Contract' in regard to conflict of interest". Therefore, the conflict of interest code does apply. It says so in the minister's own rules.

What is this minister and what is this government going to do to ensure that the rules are obeyed for once?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, as I said in my answer to the first question, such a clause was included in the contract. There was no breach of the rules whatever, no breach of the conflict of interest guidelines.

* * *

THE ENVIRONMENT

Mr. John E. Cole (York—Simcoe): Mr. Speaker, I would like to address my question to the minister responsible for inland waterways and fisheries.

The minister is aware of the proposal by the Government of Ontario to situate a huge mega dump to take all of metro Toronto's garbage in Georgina. The proposed site is located on prime agricultural land less than two kilometres from the shores of Lake Simcoe. Besides its devastating impact on the environment this proposal would also have a very negative effect on tourism in the area.

The underground and surface water from this area flows directly to the delicate, sensitive spawning grounds in the lake. Will the minister assure this House that a federal evaluation will be undertaken and that every possible effort will be made by the federal government to stop this proposal and eliminate the potential risk of destroying the fish habitat in this federally regulated, highly crucial body of water in southern Ontario, Lake Simcoe?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I suppose we will be lucky if, by the time the Government of Ontario is finished, the whole province is not a megadump.

With respect to the hon. member's question, I know the hon. member is very concerned about preserving the purity of the site in question. I am advised that when the final selection of funds is made it is going to be submitted to a full environmental review by the province of Ontario.

As we all know, when the NDP is out of power it is a tremendous exponent of environmental reviews. So I do not see how the Government of Ontario could fail to have an environmental review. When it does, we will be vigilant under the Fisheries Act to ensure that there are no negative impacts on fish or fish habitat.

We will certainly do our duty. I thank the hon. member for keeping us informed of what is happening in his area. We shall certainly do our best to stop Ontario from becoming a mega dump.

* * *

B.C. SALMON FISHERY

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

As the minister knows, the B.C. salmon catch was half the average of the past three years. The canning season was the worst in decades, the pink run came in $13 million below expectations and the Fraser River was closed three weeks early. Some 1,500 fishermen, shoreworkers and tendermen do not even qualify for UI.

Has the minister considered offering for the west coast a program in terms similar to his November 25 Atlantic emergency response for UI qualifications?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, as you know, when necessary there is an emergency response failure program that can go into effect to deal with catch failure situations.

There has been no catch failure situation in British Columbia this year, thank heavens. Although this is a low cycle year, I believe it is the best year in 80 years in a low cycle year, particularly with reference to the sockeye salmon.

There has been no fishery failure. There is a problem that certain workers did not get the necessary 17 weeks work which they need to qualify for UI in the lower mainland because of the lower unemployment rate there.

Since there is no indication of catch failure in any of the four major Pacific fisheries I believe that the conclusion is that there can be no emergency response program. That situation is not comparable at all to the situation on the east coast of Canada where there have not only been catch failures but no fish at all, in connection with the northern cod moratorium.

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, with answers like that, they will consign the large portion of the Tory caucus to that mega dump.

The Pearse–Larkin inquiry into the alleged disappearance of up to 1.2 million Fraser River sockeye was due to report to the minister by November 15 last. Can the minister assure the House that the report will be made public and made available to the fisheries committee prior to the proposed rising of the House on December 11?

• (1500)

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, with reference to the report of Dr. Pearse and Dr. Larkin, it has been received and is, of course, now being translated.

The report is a first–class piece of work in my opinion. It certainly explains what happened with respect to the Fraser River this summer.

I intend to be in Vancouver on Monday at which time the Pearse–Larkin report will be made public. Dr. Pearse and Dr. Larkin will be available to answer questions, as will I. I will give the reaction of the Government of Canada with respect to their report. I think the hon. member will find it a very interesting report.

The situation, of course, is not nearly as bad as had been painted during the summer. Nevertheless, there are steps to be taken to ensure that nothing of this sort occurs again next year.

* * *

AGRICULTURE

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is for the Minister of Agriculture.

The minister knows that tens of thousands of farmers are facing the worst cropping conditions in a generation. For instance, 90 per cent of Ontario's corn crop is still in the fields and this is December.

Is the minister willing to respond to the representations he has received from the Ontario Corn Producers and other groups to provide interest-free cash advances up to 50 per cent for unharvested grain, the same as grain in a bin?

Is the minister willing to provide this assistance to these producers who are facing a most desperate situation this fall?

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, I recognize the difficulties my colleague brings forward. We have had discussions with the Ontario Corn Producers. As my colleague knows, in the prairie cash advance payments program there is recognition for unthrashed grain left in the field after November 15. There is a cash advance that can be made on unthrashed grain.

Unfortunately, we do not have legislation under the Advance Payments for Crops Act for Ontario that is equivalent. I am working to try to have equivalency through the commodity group, the Ontario Corn Producers, that would provide equal opportunity for those producers who have not been able to thrash their grain, but yet still encourage taking grain off if possible.

* * *

POINTS OF ORDER

NORTH AMERICAN FREE TRADE AGREEMENT

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I rise on a point of order. I would just like to comment on a statement by the New Democratic Party.

It was complaining that a text is not available for the NAFTA. I would like to advise the House that since the House leader of the New Democratic Party raised this point in the House texts are available through Info-Export for anybody in the House or others who wish one.

CAROLINE TEGHISADEH

Mr. Dan Heap (Trinity—Spadina): I rise on a point of order, Mr. Speaker.

I rise to correct part of the statement I made during statements by members concerning Ms. Teghisadeh of Iran.

When I sat down, I received a phone call saying that the minister had intervened last night on her behalf to land her. I congratulate the minister on his exercise of compassion.

The phone call was late after my statement because the minister's information to Ms. Teghisadeh's lawyer came after my statement and the phone call to me followed on that.

I thank the minister very much for his action.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 12 petitions.

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

* * *

[*Translation*]

AIPO

REPORT ON 13TH GENERAL ASSEMBLY

Mr. Gabriel Desjardins (Témiscamingue): Madam Speaker, pursuant to Standing Order 34, I have the honour to present to the House, in both official languages, the report on the 13th General Assembly of the AIPO, held in Jakarta, Indonesia, from September 21 to September 26, 1992.

* * *

BILL C-73

REPORT OF LEGISLATIVE COMMITTEE

Mr. Jean-Marc Robitaille (Terrebonne): Madam Speaker, I have the honour to present, in both official languages, the report of the legislative committee on Bill

C-73, an act to amend the Canada Post Corporation Act, with amendments.

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

* * *

[*English*]

BORROWING AUTHORITY ACT, 1992-93 (NO. 2)

MEASURE TO ENACT

Hon. John McDermid (for the Minister of Finance) moved for leave to introduce Bill C-98, an act to provide additional borrowing authority for the fiscal year beginning on April 1, 1992.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. McDermid (for the Minister of Finance) moves that the bill be now read the first time and printed.

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

Bill read the first time and printed.

* * *

PETITIONS

FRESHWATER EXPORTS

Mr. Nelson A. Riis (Kamloops): Madam Speaker, it is my pleasure to present a petition on behalf of a number of constituents.

The petitioners point out that agricultural goods are included under the FTA. They also point out that section 22.01 indicates that water is in fact a clear element as part of the FTA agreement on which NAFTA is based. They point out that from their determination NAFTA includes FTA and FTA includes water as part of the trade deal.

Therefore, they are asking the Canadian government to reintroduce legislation that would prohibit the transfer of inner basin water to the United States.

CHILD POVERTY

Mr. John Nunziata (York South—Weston): Madam Speaker, I would like to present a petition signed by a number of constituents. They point out that Canada ratified the United Nations Convention on the Rights of the Child and has a moral obligation to seek the elimination of child poverty in Canada.

The petitioners go on to say that the success of political commitment to eliminate child poverty in Canada requires public commitment and initiative among broad sectors of the Canadian population at local and national levels.

They call on the government to take the actions necessary to reaffirm its commitment to seek the elimination of poverty among children in Canada by the year 2000 and to develop a plan for the implementation of this commitment.

Mr. Derek Blackburn (Brant): Madam Speaker, pursuant to Standing Order 36, I also have the pleasure of introducing a petition before this House which calls upon Parliament to take the actions necessary to reaffirm its commitment to seek the elimination of poverty among children in Canada by the year 2000 and to develop a plan for the implementation of this commitment.

ILLEGAL DRUGS

Mr. Sergio Marchi (York West): Madam Speaker, I have the pleasure to present three additional petitions, three of many that have come from my riding of York West, which address the drug plague that is unfortunately in the middle of communities in Toronto and across the country.

The petitioners call on the government to amend the Narcotics Control Act so that all the assets that are seized from drug seizures not only flow back to general revenues in Ottawa, but are shared with front-line operations like police forces and local organizations which are on the front lines of that battle in the hope that we will win the war.

• (1510)

[*Translation*]

ARMENIAN GENOCIDE

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Madam Speaker, pursuant to Standing Order 36, I welcome this opportunity to table a petition on behalf of the Armenian community in my riding and also on behalf of other residents of Montreal, Laval and Pointe-Claire. Further to a resolution passed by the Quebec National Assembly to acknowledge the importance of the anniversary of the Armenian genocide, the petitioners humbly pray and call upon Parliament to urge the government to express its sympathy to the Armenian people, and especially to Canadians of Armenian origin who servived the genocide of April 24, 1915, and to support interna-

tional pressure on the Turkish government to acknowledge the events of April 24, 1915.

[*English*]

PHARMACEUTICALS

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, I have a petition from a number of constituents.

The petition notes that Bill C-91 seeks to end the licensing of further no name generic drugs in Canada and also will allow brand name drug companies patent protection for up to 20 years. It also notes that Bill C-22 which allows 10 years of patent protection has already driven up prices of drugs to individuals and provincial and private drug plans.

They therefore call upon Parliament not to proceed with Bill C-91 and to repeal Bill C-22 passed in 1987 so that Canadians will have the full benefit of lower priced generic drugs and so that provincial and private drug plans can serve Canadians without being forced to charge higher fees or provide less coverage.

INCOME TAX ACT

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, a second petition notes that at the present time the Income Tax Act allows self-employed professionals and business people to make deductions for operating expenses and the improvement of their offices or businesses, but unfairly refuses to allow teachers deductions for the expenses which they incur in order to better their teaching abilities.

They therefore call on the Minister of Finance and the Minister of National Revenue to amend the present Income Tax Act to allow teachers and educational institutions to deduct the cost of their expenses in the course of their employment.

[*Translation*]

VIOLENCE

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, I would like to table a petition from residents of Val-d'Or, Amos, Vassan, Sullivan, Val-Senneville and Saint-Edmond-d'Abitibi, stating that films depicting violence on television are dangerous and unacceptable because they encourage further violence.

They also point out that all toys that are an incentive to violent games are unacceptable and that production of such toys should be banned. Freedom of the press should be restricted when reporting acts of violence. The repeated reporting of acts of violence on all television channels and on radio may encourage similar acts of violence.

Therefore the petitioners humbly pray and call upon Parliament to pass legislation dealing with the above, to wipe out violence in our society, protect our children and guarantee everyone in this country a better quality of life.

[*English*]

Madam Deputy Speaker: The hon. member for Ottawa Centre.

REFUGEES

Mr. Mac Harb (Ottawa Centre): Madam Speaker, this petition concerns refugees who are suffering from personal economic hardship. Many of these refugees come from unstable Third World countries and they are trapped in the immigration processing backlog.

These petitioners are calling on Parliament to urge the government to exercise compassion and step up its action on refugee cases.

FRESHWATER EXPORTS

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, I have another in a long series of petitions. This one is signed by residents throughout British Columbia and Alberta who are concerned about the proposal by Multinational Resources to dam a portion of the flow of the North Thompson River and to divert that water through the Columbia River system into the California market.

These petitioners urge the government to state categorically that it will not permit our freshwater rivers to be dammed and diverted into the U.S.A. or into Mexico. It asks the government to state categorically that Canadian waters are not for sale.

IMMIGRATION ACT

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, pursuant to Standing Order 36, it is my pleasure to present a petition signed by 111 people in the Trinity—Spadina area and nearby who are concerned with many of the proposed amendments to the Immigration Act in Bill C-86. In particular, they strongly oppose the provisions that allow decisions to be made retroactively. This would cause many individuals and families who have already relied on earlier decisions to be affected in a serious manner.

Therefore, the petitioners call upon Parliament to urge the government to withdraw these amendments.

REFUGEES

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, I have a further petition from 59 people in the Toronto area who are very concerned with some of the decisions being rendered by the refugee board.

The petitioners point to UN decisions and UN guarantees of refugee status determination under the UN Covenant on Civil and Political Rights which requires that their rights be guaranteed without discrimination.

In accordance with UN principles, they call upon Parliament to enact legislation which would provide a meaningful appeal on the merits for refugee claimants whose cases are rejected so that they have appeal rights comparable with everyone else in Canada.

IMMIGRATION

Mr. Dan Heap (Trinity—Spadina): My final petition, Madam Speaker, is from over 30 people who are concerned that there may be too long delays for people who are detained by immigration authorities. The petitioners ask for legislation which would provide for a detention review by an adjudicator within 48 hours, and with two further reviews conducted at least once in each of the next seven day periods and thereafter at least once every 30 days so as to ensure that no one is detained without unequivocal proof that he or she is a danger to the public or would not appear for immigration proceedings.

CORRECTIONS CANADA

Mr. Tom Wappel (Scarborough West): Madam Speaker, the petition I am presenting today concerns Corrections Canada's announcement that one of four new prisons for women will be in the Kitchener–Waterloo area. I must say thousands of people have signed this petition.

The petitioners protest this decision primarily because of the failure of Corrections Canada to consult with the immediate community where that prison is going to be located.

They call upon Parliament to urge the government to move the proposed women's correctional facility to a location that will provide a more harmonious existence between any community and this particular correction facility. I will repeat that there are thousands of signatures of people who will be directly affected by the location of this prison.

NORTH THOMPSON RIVER

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Madam Speaker, pursuant to Standing Order 36, it is my duty and pleasure to present a petition from a number of people throughout British Columbia and Alberta, and as a matter of fact from Ottawa, Ontario.

These people have one thing in common. They are all concerned about the intention of diverting waters from Canada into the United States, and particularly the North Thompson River diversion and the U.S. proposal under the North America Water and Power Alliance to divert Canadian waters into the United States and northern Mexico.

The petitioners are asking the government to make very clear its position that it will not allow the diversion of freshwater rivers into the United States or the damming of these rivers for diversion and to indicate to everybody that freshwater rivers are not for sale.

POVERTY

Mr. Vic Althouse (Mackenzie): Madam Speaker, I have petitions from the communities of Bruno, Wakaw, Cudworth and surrounding districts which point out that poverty of Canadian children will yield ever–increasing costs to the administration of health care, justice and social welfare, and poverty among children inhibits learning and preparation for employment constituting a cost to future national productivity.

The petitioners point out that Canada ratified a United Nations Convention on the Rights of the Child and has a moral obligation to seek the elimination of child poverty in Canada and calls upon the government to develop such a plan for immediate implementation.

BILL C–91

Mr. Ray Funk (Prince Albert—Churchill River): Madam Speaker, I have a petition signed by over 600 people from my constituency protesting the introduction of Bill C–91, the drug patent bill.

The petitioners are appalled that this government would be ramming through a bill which will cost Canadian consumers, particularly the sick, at least $6 billion

over the next 10 years in exchange for some vague promises of a few jobs in a few places for a few people.

Therefore, the petitioners call upon parliamentarians to not proceed with Bill C-91 and to repeal Bill C-22 passed in 1987 so that Canadians will have the full benefit of lower-priced generic drugs and so that provincial and private drug plans can serve Canadians without being forced to charge higher fees or provide less coverage.

• (1520)

CANADA POST

Mr. Rod Laporte (Moose Jaw—Lake Centre): Madam Speaker, this government likes to brag about what it is doing for rural Canadians with respect to postal service and it is saying that rural Canadians appreciate that service. Well, that is not the case.

Certainly not in the town of Outlook, Saskatchewan, in my riding, where approximately 150 people have signed this petition because they are upset with Canada Post's policy of only providing residents of rural communities free delivery at the post office nearest to their place of residence. They say that this ignores the fact that for many rural residents the nearest post office to where they live may not be the easiest post office to travel to and may not be in the community where they conduct their other business.

They say this is a ludicrous policy. It does not cost Canada Post any extra money to allow people to go to the post office of their choice.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I would ask that all questions be allowed to stand.

Madam Deputy Speaker: Is it agreed?

Some hon. members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, Notices of Motions for the Production of Papers No. P-15 in the name of the hon. member for Saanich—Gulf Islands and No. P-20 in the name of the hon. member for Kingston and the Islands are acceptable to the government subject, to the usual reservations concerning confidential documents. These documents are tabled immediately.

HEALS RIFLE RANGE

P-15—**Ms. Hunter**

That an humble address be presented to His Excellency praying that he will cause to be laid before the House of Commons copies of all memoranda and correspondence between the Department of National Defence, the Department of Fitness and Amateur Sport and the Commonwealth Games Society of Victoria, British Columbia, pertaining to Heals Rifle Range being designated as the official shooting venue for the 1994 Commonwealth Games to be held in Victoria, British Columbia.

Motion agreed to.

CONSOLIDATED MILITARY SUPPLY DEPOT

P-20—**Mr. Milliken:**

That an order of the House do issue for copies of all studies commissioned or undertaken by or for the Department of National Defence in connection with the location of a consolidated military supply depot in Montreal as decided by the Minister of National Defence in April 1992.

Motion agreed to.

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

Madam Deputy Speaker: Is it agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

BORROWING AUTHORITY ACT, 1992-93 (NO. 2)

MEASURE TO ENACT

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance) moved that Bill C-98, an act to provide additional borrowing authority for the fiscal year beginning April 1, 1992, be read the second time and referred to a legislative committee in the Economics envelope.

He said: Mr. Speaker, this afternoon our country and this Parliament open an important debate on the future course of economic policy. In these times of challenge

and opportunity, it is most appropriate that full discussion be undertaken by all members of this House.

Parliament is where the diversity and complexity of Canada are brought together in one place by the representatives of the people from every region. This is where differing political and philosophical approaches can be put forward for public consideration.

Over the next two days I expect all members opposite to state clearly and directly what their proposals for economic policy would be. Canadians expect this of us and they deserve no less.

For my part, I will make it abundantly clear where the government stands. I will provide to the House and to the country an update on Canada's fiscal and economic situation, and I will announce a number of measures to contain the deficit and to enhance economic recovery.

This debate occurs at a time when our economy is undergoing profound change. A new economy is emerging around the world, offering new opportunities that require adjustment and restructuring.

In this environment, Canadians are seeking greater security and greater economic opportunity, for themselves and for their children. That is the overriding goal of our economic policies.

Our economic policy is to build confidence, enhance growth, create jobs, and help Canadians adjust to this period of transition and take advantage of new opportunities.

All of our efforts have been directed at investing in growth through sound monetary and fiscal policies, the opening up of markets, streamlining government, building the skills of Canadians, and encouraging private sector enterprise and initiative as the basis for economic progress.

In response, Canada's economy performed particularly well from 1984 to the onset of the recession in 1990. We led the G-7 in job creation and were second only to Japan in economic growth. However, our most recent economic progress has been slowed by a stubborn worldwide recession, and world recovery has been weakened by economic restructuring, excessive debt, and trade uncertainties.

All this has contributed to a painful adjustment which has slowed world economic growth from 4.3 per cent in 1988 to only 1 per cent this year, the lowest rate of growth the world has seen since 1982.

Canada is not immune to these realities. Next to Germany we are the major industrial country most dependent upon exports. When world growth slows, when commodity prices fall, when world unemployment increases, Canadians cannot escape these consequences.

As a result, far too many Canadians are without work. Far too many others fear for their future as economic restructuring takes place around the world. We need to act to restore confidence and to rekindle hope.

There are those who would have us believe that an economy weakened by too much government debt can be strengthened by creating even more government debt. This approach was wrong in the 1970s. It was wrong in the 1981-1982 recession. It would have been wrong last February. And it would be wrong today.

The simple fact is that large government deficits, federal and provincial, and high foreign debt limit our room to act.

We must act responsibly. That does not mean that we cannot respond. The essence of governing is choosing. There are choices to be made and we are prepared to make them in the best interests of all Canadians.

To make intelligent choices, we must face facts. We must deal with the world as it is, and not as we might wish it to be. We must recognize that globalism is a fact of life. This increases our choices in the goods and services we buy. It increases our opportunities in new markets that we can sell to. But it also increases our interdependence and our competition.

In this increasingly interdependent world countries that turn inward and cling to the old ways of doing business will finally have no future.

The new world economy brings intense pressure to compete. Those who can, will prosper. Those who cannot, will stagnate.

This is not an ideological statement. It is a fact. Some may think that competition is a dirty word, but if we fail

to recognize reality we will miss new opportunities. We will sit on the sidelines while the world marches forward.

It is because Canadians can compete and win that we have a duty to encourage that competition. If we face facts, realistically, pull together, and address our challenges head on, we will continue to grow and to prosper.

As I have made clear, this government is not prepared to sacrifice steady, responsible progress for quick fixes that promise relief today at the price of misery tomorrow.

Canada's experience has clearly demonstrated that higher spending and greater deficits will not create lasting jobs. They lead only to higher interest rates in the short term and higher taxes down the road.

• (1530)

Our government will continue to work to put in place a sound fiscal structure and to address the issues of productivity and competitiveness. This is the approach that was recommended by the private sector task force on prosperity.

We will achieve this by continuing to invest in growth on behalf of all Canadians. We will continue to invest in policies to make our economy work better. We will further strengthen our investment in people. We will make additional investments in public infrastructure and we will continue to invest in open trading markets. We will continue to invest in sound monetary and fiscal policies, and we will invest in partnerships for growth with the provinces, with labour and with business.

These kinds of investments take time to bear fruit. They are not easy, change never is. However, there are pay-offs and they are starting to appear. At 1.4 per cent, we have the lowest inflation rate among the G-7 countries this year.

With productivity up by 2.6 per cent so far this year we have made major gains in controlling costs, and this improves our competitiveness. Our trade performance is showing the results. Canada's merchandise trade surplus, one of the keys to reducing our current account deficit, is up by almost $2 billion from last year.

We all recognize that recovery from the 1990-91 recession is painfully slow, not only here in Canada but around the world. Therefore, I expect average growth this year to be about 1 per cent. We know that we cannot have a powerful recovery when world growth is stagnating, but our investments in growth are positioning Canada for renewed world growth.

Some of the encouraging signs are as follows: real output increased by 1.4 per cent in the third quarter of 1992; domestic demand, including consumer spending, housing and investment in machinery and equipment, has increased by about 5 per cent; the composite leading indicator continues to improve; employment has increased in five of the last six months; consumer confidence is rising—it has now reached its highest level since the fourth quarter of 1989; real exports are up by more than 6 per cent over the first three quarters of this year; and exports to the United States are at record levels, up by 10.5 per cent this year over last.

However, we must interpret these signs cautiously. The world economy is still going through a difficult period. The recent instability in financial markets will hurt Canada's fourth quarter growth numbers. However, as the fundamental strengths of Canada's economy become more apparent the exchange rate should become less at risk and interest rates should come down considerably during the course of 1993, with short-term interest rates averaging about 6 per cent over the year.

Our improved competitive position, the easing in interest rates that our excellent inflation performance permits, a pickup in the U.S. economy, and the measures that I will announce today will contribute to stronger growth next year. I expect average growth of about 2.5 per cent for 1993.

I expect inflation will remain below 2.5 per cent in 1993. I expect improved employment prospects with an increase of about 300,000 jobs over the course of the year.

Some hon. members: Hear, hear.

Mr. Mazankowski: Mr. Speaker, I now wish to turn to a number of measures that I am proposing to assist economic recovery and invest in economic growth.

One of the things that we will continue to do is to make government leaner and more efficient. We have made government smaller and more supportive of the private sector in a number of important ways. For example, government operating costs after inflation are

more than 20 per cent lower than when we came into office.

In the last budget 46 agencies, commissions and boards were eliminated or restructured. The Prime Minister has instructed all ministers to identify further candidates for action by February 1993. Since 1985 we have dissolved 14 Crown corporations and undertaken 23 privatization initiatives, and we intend to proceed with further privatization.

We have deregulated critical economic sectors to increase competition and we are modernizing all federal regulations. We are eliminating those that no longer serve a public policy purpose and we will streamline others so that they will not stifle creativity and efficiency.

Agriculture Canada, Transport Canada and Consumer and Corporate Affairs Canada were directed to review and publicly justify their regulatory regimes in the last budget. All three found ample room for improvement, and as an example Agriculture Canada reviewed 58 sets of regulations. Fifteen were eliminated in whole or in part, four are being sunsetted, and 38 will be modernized. Building on this result the Treasury Board has announced that 19 other departments, along with six agencies, will complete their own reviews by April 1993. What we are seeking in all of these areas is a lower-cost, more efficient government that can work in partnership with the private sector to benefit and serve all Canadians.

I now turn to tax reform. An important part of modernizing and streamlining government has been to modernize our tax system. For the long-run competitive health of our economy our single most important tax reform initiative has been the replacement of the outdated and economically destructive manufacturers' sales tax with the GST. The old tax favoured imports, hurt Canadian exporters and penalized new business investment. The GST has helped our manufacturers and our exporters.

The Canadian Manufacturers' Association reports that the GST has saved its members $3.5 billion. This is important assistance to activity and jobs in difficult times. The Canadian Exporters' Association reports that the tax has improved our competitive position. This has contributed to our strong export position. Major retailers have confirmed that the prices of the majority of their goods dropped after the introduction of the GST.

The GST is not raising more revenues than the old tax. By law every penny of net GST revenue goes to the Debt Servicing and Reduction Account, where it can be used only to pay the interest on the debt and ultimately to reduce our debt. We are continuing to work to simplify the GST. Last week my colleague, the Minister of National Revenue, announced changes to streamline the administration of the GST. I will soon be announcing further measures to make the tax fairer and easier to comply with.

The government will also act to ensure that those who owe tax—both sales tax and income tax—make their payments, and do so in a timely way. We will give careful consideration to the Auditor General's recent comments in this regard.

Sales tax harmonization represents a major opportunity to reduce the burden of government on the private sector, particularly on small business. I therefore urge my provincial colleagues to join with me in a renewed effort to align our sales taxes, not only with each other but with the reality of the tough, competitive world in which our business people must operate.

I now turn to the small business sector. Small businesses are the primary engine of employment growth. Between 1979 and 1990 small business created more than 2 million full-time jobs. This is more than 80 per cent of the total created during that period. Over-all, Canada's federal tax system for small business is one of the most favourable in the world. Compared to the United States our tax rates are lower, our R and D incentives are more generous, and our taxes on dividends and capital gains on investments in small businesses are much lower.

Yet today the small business community is undergoing serious financial and competitive pressure. Much of this pressure, as I indicated before, comes from the need of the provincial and federal governments to get their act together, whether it is on the GST, other taxes, government spending, or regulation. Some small businesses are finding that the over-all regulatory and tax environment is friendlier south of the border and we must deal with that.

The fact is that much of what needs to be done to address this problem is in the domain of provincial and municipal governments, but the federal government can

do something and we will assist small business where we can.

Therefore, I am proposing today a small business employment and investment package to help small businesses across the country modernize, attract financing, grow and create jobs.

For the next year I am proposing that most small businesses increasing employment will be able to do so with no increase in unemployment insurance premiums. New businesses starting up in 1993 will pay no UI premiums in that year. This assistance will reduce the cost of additional employees by up to $1,600 each. It will be delivered in a simple way with a minimum of paperwork. More than 900,000 firms, indeed 95 per cent of all firms in Canada, will be able to benefit from this measure. The government, not the UI fund, will finance this measure.

• (1540)

I am also proposing a new 10 per cent investment tax credit for small business. It will apply to investments in machinery and equipment for small businesses engaged in manufacturing, construction, farming, fishing, mining, oil and gas and long-haul transportation. It will apply to investments made after today and before 1994.

I am also announcing measures to help small businesses secure financing. In the February budget I proposed that the ceiling for loans to individual businesses under the Small Businesses Loans Act be doubled from $100,000 to $200,000. I am announcing today that this ceiling will be further increased to $250,000. As well, the government will work to broaden the application of the act to include some forms of working capital.

I am also announcing changes to simplify and expand investment in small business by RRSPs and Labour-Sponsored Venture Capital funds.

The Small Business Financing Program announced in my budget last February will be extended for two more years until the end of 1994. This provides low interest commercial financing for viable small businesses in difficulty. I am serving notice to Canada's banks that I expect them to make a special effort to play a constructive role in ensuring the success of this program.

We all know that small and medium-size businesses play an important role in Canada's home building industry. In my last budget I introduced a home buyers' plan to allow Canadians to use RRSP savings to help buy homes. This program has been an unqualified success, generating economic activity in all regions of Canada.

More than 130,000 withdrawals have been made under the plan. I am announcing today that in view of the positive response I am extending the plan for another year.

I am also announcing measures to assist activity in the resource sector. The first $2 million of Canadian development expense by junior oil and gas companies will be treated as Canadian exploration expense for the purpose of flow-through share financing, raising its write-off rate from 30 per cent to 100 per cent. This will be a welcome measure.

Changes will also be introduced to benefit the mining sector. New mines or major expansions of existing mines are now allowed to fully recover their capital investment before paying any federal income tax. The Income Tax Act will be amended to provide more flexibility for mining and oil and gas companies to utilize their non-capital losses. These measures will help to put Canada's small businesses in a better position to meet their competitive challenges, to grow and to create jobs.

I now turn to research and development. The Canadian Manufacturers' Association recently noted: "The next ten years will bring about more changes in the way business is done than we have seen in the past 50".

Therefore effective R and D will be a key to successfully meeting the challenges of the next decade and the next century. Canada now has more generous tax incentives for R and D than any other G-7 country. In my last budget I proposed to improve them even further, after consulting with R and D performers.

I am today announcing changes to allow the tax rules to better reflect how R and D is actually performed in the business community. As indicated in the February budget, they will provide additional support of $230 million over the next five years to Canadian companies undertaking research and development.

In addition, there are several other areas where the tax system can be modified to help Canadian businesses adapt and grow. Some problem areas have been identified.

The first is the tax treatment of equipment, such as computers, that becomes obsolete quickly due to rapid technological change.

Second, the ability of some firms to use their R and D investment tax credits fully.

Third, the ability of Canadian firms to gain access to new technologies.

Fourth, tax based impediments to growth of small innovative companies.

These concerns have been raised in our discussions with the business community as part of the prosperity consultations. In consultation with industry, we will examine modifications to address these areas in the coming months and actions will be announced in the budget. I have set aside $400 million over the next five years to finance changes to address these issues.

In addition, funding will be increased for the highly successful Industrial Research Assistance Program which provides technology support and financial assistance to businesses. My colleague, the Minister of Industry, Science and Technology, will also be taking steps to streamline delivery and ease of access to federal technology programs and services.

Funding will also be extended for long-term research, building on the best of the results achieved under the networks of the Centres of Excellence Program, a very good program I might add.

We will strengthen our investment in people.

In a world where capital, information, goods and even services flow easily across national borders a nation's competitive advantage is increasingly being found in the skills of its people.

As has been recently noted, nations once competed for control over natural resources. Today they compete to produce the best educated labour force.

Keeping up with this competition is a major challenge. In one generation, Canada's young people have been exposed to more scientific and technological advancement than their parents or grandparents in their entire lifetime.

We have invested in skill development and training by setting up the Canadian Labour Force Development Board and by refocusing the UI system from passive income support to active skill building.

The $3.5 billion we spend on training and adjustment does make a real difference to the lives of hundreds of thousands of individuals across the country.

Our programs have helped individuals cope with change, while assisting the adjustment to new opportunities. A good example of this is the Northern Cod Adjustment and Recovery Program. The collapse of the northern cod stock in Newfoundland required a moratorium on fishing to rebuild the stock for future years. Over 20,000 Newfoundlanders were affected. The government is responding by supporting incomes in the short run, by helping individuals build new skills so that they can become self-reliant, and by helping restructure the fishing industry to put it on a sustainable basis.

As the Prime Minister recently announced, support for the Unemployment Insurance Development Uses Fund will increase to more than $2.2 billion next year from $1.9 billion last year and from a level of $500 million in 1990. This fund invests in people by helping them to upgrade their skills. This program has been a real success story. This year 450,000 people will benefit from the program. This will increase to more than 500,000 next year. The additional funds will be used to provide special services to workers who lose their jobs after a long-term attachment to the labour force.

I am announcing further measures today that will strengthen our investment in people and the future of this country.

To lay the foundation for a stronger training culture in this country we need the joint commitment of employers and workers to develop training strategies. To facilitate this the government will make funding available to help create permanent skill councils in particular sectors of the economy. Priority will be placed on the important task of developing occupational standards so that training will be more relevant to industry's needs. Government funding of $250 million over five years will be used strategically to lever a national private sector driven effort. The government will develop tax incentives to

help defray the costs of training workers to meet these occupational standards.

My colleague, the Minister of Employment and Immigration, will be elaborating on the government's labour market initiatives later in this debate.

We will make additional investments in public infrastructure.

The quality of a nation's infrastructure can provide an important competitive advantage in the new global economy. Highways, rail lines, air services, communications and information systems can become critical factors in location decisions.

Further strategic investment will be undertaken in all regions to strengthen our national transportation systems and communications networks. In order to ensure work begins in 1993 the government will commit $500 million over the next two years to a strategic investment program.

• (1550)

Federal assistance will be provided for an immediate start on priority highway projects in New Brunswick and Nova Scotia. With the co-operation of these two provinces we anticipate a significant beginning can be made toward the development of the Atlantic expressway.

Advanced engineering and environmental work on the Prince Edward Island fixed crossing project will be undertaken to allow construction of this $800 million project to begin in the spring. This will directly create an average of almost 1,000 jobs each year over the construction period and will provide enormous spin-off benefits for the economy of Atlantic Canada.

[*Translation*]

Federal bridges in Montreal will be upgraded. In addition, funding will be made available for co-operation with the Government of Quebec on strategic improvements to the highway system in that province.

[*English*]

Federal roads and roadworks in western Canada's national parks will be upgraded.

Grade separations and other investments will be undertaken to improve the efficiency and safety of our national rail system, particularly in southern Ontario.

Air navigation systems across the country will be improved. The federal government will provide resources for early procurement and the first phase of installation of microwave landing systems in Canadian airports.

Airports in the north will be improved.

The Prime Minister recently announced the government's commitment to developing one of the most exciting and most important infrastructure projects: a high speed national electronic highway. The government will set aside funding for the Canadian Network for the Advancement of Research, Industry and Education project, which will use fibre optics to allow the rapid exchange of vast amounts of information among Canada's scientists, engineers and educators. It will expand Canada's technological capabilities and benefit many sectors in the Canadian economy.

Over the next five years this initiative will result in investments in national infrastructure of more than $2 billion. It will directly generate 4,000 to 5,000 jobs each year.

In addition, we are ready to proceed with a successful proposal to upgrade terminals 1 and 2 in Toronto using private financing. This project will be undertaken at a pace which will not undermine the airlines' effort to return to profitability. This project is expected to create between 2,000 and 3,000 direct jobs each year throughout construction. My colleague, the Minister of Transport, will be providing further details on this important initiative.

We will continue to invest in broadening trade opportunities.

As we in this House all know, trade is our lifeblood. Exports generate 30 per cent of Canada's economic activity and account for one in four jobs. Our ability to trade successfully makes us a wealthier country, with greater choices available to Canadians.

Broadening our trading opportunities requires improved access to markets, under clear and fair rules.

The Canada-U.S. Free Trade Agreement has proven a success. Canadian exports to the U.S. have increased by $16 billion since the FTA was introduced and are now at record levels. This strong export performance was achieved in spite of slow growth in the U.S. economy and a strong Canadian dollar.

The free trade agreement is providing opportunities for the industries of the future.

A recent study by the C. D. Howe Institute showed that Canada's export performance was strongest in those sectors which the FTA has already liberalized, with big gains in high-tech machinery and equipment and other value added products. Exports of manufactured products outpaced exports of resource based products, leading the C. D. Howe study to conclude that "many of Canada's manufacturing sectors seem to have performed remarkably well in the U.S. market under the FTA".

I am reiterating and strengthening our commitment to open trading markets.

The North American free trade agreement improves and strengthens the free trade agreement. It also gives Canadian exporters better access to the important Mexican market of 85 million consumers. We will take early action to introduce implementation legislation for the North American free trade agreement.

The GATT Uruguay round is one of utmost importance to Canada and to the world. The OECD has estimated that the reforms envisaged in the Uruguay round would eventually lead to annual income gains for the world economy of $250 billion. We can share in that economy and so it is important that this be proceeded with.

To protect our competitive position we must seek to lower costs wherever possible. One way we can do this is by lowering tariffs on goods that we import. In response to the recommendations of the Canadian International Trade Tribunal, I am announcing that the government will reduce textile tariffs effective January 1, 1993, bringing them more in line with those of other industrialized countries.

We will continue to invest in sound monetary and fiscal policies as the only basis for sustainable economic growth.

Not so long ago Canada had one of the highest inflation rates among the G-7 countries. This year we have the lowest rate. This means that the prices of goods and services we buy are rising more slowly than in other leading industrial nations. And that is excellent news for the Canadian economy.

Low inflation protects people's purchasing power. Here is an example: Between 1980 and 1984 food prices rose about 8 per cent per year. This meant that a basket of groceries cost 40 per cent more in 1984 than in 1979. From January to October of this year the price of food has risen by only 0.8 per cent. At this rate it would take 40 years, not 4, for a basket of groceries to increase by 40 per cent.

Another example: Low inflation protects those on fixed incomes. A pension of $10,000 would be worth only $4,420 after 20 years of inflation at 4 per cent. With 1 per cent inflation it would be worth almost $8,200.

It is very clear our own history and experience in other countries demonstrate that there is no lasting trade-off between higher inflation and a strong economy. Nor is there a relationship with lower unemployment. While it takes time to adjust fully to a low inflation economy the continuing benefits make it one of the best possible investments in our economic future.

Our investment in price stability is paying off. Canadian interest rates moved down from a peak of 14 per cent in May 1990 to under 5 per cent in September as inflation and inflation pressures were reduced. These rates were among the lowest in the industrialized countries. Among the G-7 countries only the United States and Japan had lower rates.

Since September uncertainty in markets and downward pressure on our currency have pushed up interest rates, but they remain well below historical peaks. Continued good inflation performance is the clear basis for lower interest rates, and as pressure in the currency market subsides we should be able to achieve these lower rates.

Excessive government deficits, both federal and provincial, have contributed to a level of net foreign debt far higher for Canada than for any other G-7 country. This large net foreign debt, public sector and private sector, means that Canadians paid more than $22 billion in net interest last year to foreign lenders. That is money that Canadians cannot use to develop our own economy. This adds to the economic damage done by the higher interest rates and higher taxes that result from higher government deficits.

Lowering government deficits means that more of Canadians' savings are available for private investment. It means we can invest in our future without mortgaging it to foreign lenders. The way to reduce deficits is by controlling spending, not by raising taxes. Now is not the

time for any government to raise taxes. Canadians can make better, more productive use of their money than governments can. The more we can leave in people's pockets, the better it will be for our economy. That is precisely why I cut spending in the February budget to reduce the personal income surtax by 2 per cent: 1 per cent last July, and a further 1 per cent on January 1, 1993.

• (1600)

This measure will add $1.8 billion to Canadians' disposable income this year and next. The January decrease will proceed on schedule, as will the reduction in the manufacturing and processing tax rate, from 23 per cent to 22 per cent. In total, the measures announced in February's budget will provide a timely stimulus of about $2 billion in tax reductions to support economic activity over the coming year.

We also took steps to provide additional assistance to lower and middle-income families with children through the new Child Tax Benefit program. Beginning in January, this initiative will provide $2.1 billion in additional assistance to families over a five-year period. This means, for example, that a working single parent with two children and an income of less than $20,000 will receive about $600 in additional assistance.

Consistent with this over-all approach, I am announcing today that the 1993 unemployment insurance premium rates for employers and for employees will be held to their 1992 levels.

We will manage spending to stay within the Spending Control Act limits. This will allow us to reduce the slippage in the deficit resulting from weaker revenues and to finance the additional investments in growth that I have announced today.

We have to keep our spending in line with our incomes. When our credit card bills get too high we have to cut back on our current spending. For Canada, the objective of this restraint is to preserve for the long term the benefits that we have all gained and continue to gain from this great land.

We are not cutting simply for the sake of cutting or because we think Canadians have not made real sacrifices. We know they have and we know that these cuts will require further sacrifice. We are asking everyone to do a bit more so that a stronger recovery and sustained growth can be shared by all Canadians.

For the current fiscal year, operating budgets of all departments are being cut by a further 2 per cent. This has resulted in many departments imposing a hiring and discretionary spending freeze.

I am also asking my colleagues to reduce the spending on their grant and contribution programs for the balance of the year where possible. Over the balance of this fiscal year, and the next two fiscal years, almost $8 billion will be cut in a broadly based expenditure restraint program.

Expenditures for a wide range of programs will be either frozen or reduced from planned levels. Let me elaborate.

Salaries will be frozen for the Governor General, the Lieutenant Governors, the Prime Minister, ministers, members of Parliament, senators, the federal judiciary, public servants and the employees of non-commercial Crown corporations for the next two years. Commercial Crown corporations will be asked to keep their wage settlements in line with this policy. In addition, appropriation-dependent corporations will be funded as if their wages were frozen.

Government operating budgets will be reduced by 3 per cent as of 1993-1994. Including the savings from the salary freeze, operating costs will be 5 per cent lower than planned levels in 1993-1994 and 1994-1995. These reductions are on top of the many operating cost reductions implemented over the last eight years.

Average unemployment insurance benefits will also be frozen. To do this, the UI benefit rate will be reduced for new beneficiaries from 60 per cent to 57 per cent in April 1993. The effect of this reduction will be to freeze the average benefit per recipient.

As well, persons who voluntarily quit their jobs without just cause or lose their jobs because of their own misconduct will no longer receive UI benefits.

Grants and subsidies to most organizations and interest groups will be cut by 10 per cent in each of the next two years.

Some programs will be exempted. These will include programs for the elderly, the guaranteed income supplement, spouse's allowance, programs for the disabled, war veterans' allowance, and veterans' disability pensions.

Canada will not reduce its famine relief around the world.

In addition, I wish to inform the House and my provincial colleagues that no further restraint will be imposed upon major federal transfers to the provinces. These programs are already covered by the expenditure control plan introduced in the 1990 budget and extended in the 1991 budget.

The actions I have announced today will bring the estimated deficit down to $34.4 billion this year and $32.6 billion next year. The slippage relative to the February 1992 budget is largely due to the shortfall of revenues caused by a weaker than anticipated economy.

With the actions announced in this statement, program spending over the next two fiscal years will be similar to that projected in the budget. The savings from the expenditure reductions, net of the initiatives for investing in growth, rise substantially each year through 1994–95.

This will mean that spending will continue the pattern since 1991–92 of being well below the limits set out in the Spending Control Act despite the enormous economic pressures.

The expenditure reductions announced in this statement provide a considerable reduction in the structural component of the deficit. As such, the deficit should decline rapidly through the medium term on the basis of the tight control over spending in place and the stronger economic performance and the lower interest rates. It remains the government's objective to attain zero financial requirements over the medium term.

We must and we have to recognize, however, that Canada's deficit problem is a total government problem and not just a federal one. By far the larger share of government operating costs in Canada is provincial and not federal. Therefore, it is vital that all governments review their operations to cut costs, to reduce deficits and to lighten the burden on taxpayers.

Finally, we will invest in partnerships for growth with provincial governments and with the private sector. The recent constitutional discussions diverted attention from what the federal and provincial governments can do together to better co-ordinate economic policy in the interests of growth and jobs.

We will take a leadership role under the existing Constitution and urge better co-ordination of fiscal policies. We are prepared to act with the provinces to develop acceptable frameworks for public sector compensation, to eliminate waste, overlap and duplication, and to harmonize our tax systems and to reduce compliance costs on business and individuals.

The federal government has made specific proposals to achieve this in a much more co-ordinated and open fashion in its document of September 1991. These proposals do not require constitutional amendment and we are prepared to act on them together with the provinces as soon as possible.

As well, it is time—in fact it is long past time—for concrete, comprehensive action to reduce interprovincial trade barriers with a fixed agenda and a timetable.

Some hon. members: Hear, hear.

Mr. Mazankowski: Mr. Speaker, the federal government has pressed provinces to remove all barriers and impediments to internal trade by 1995.

I am encouraged by the progress that has been set in place by the Canadian Ministers of Agriculture. Further progress across a range of areas can only strengthen Canada's position at home and abroad.

Our emphasis on a partnership approach with other governments and the private sector reflects the reality of the economic challenges facing Canada, but it also reflects the reality of the federal government's impact on the national economy.

The federal government accounts for less than half of the total government spending in Canada. This fact should be kept in mind by those who continue to pretend that the federal government alone can turn around Canada's economy. Not even a fiscally strong federal government could accomplish that by itself. That is why we must all work together more effectively to get our economy moving strongly forward again.

• (1610)

I am therefore tabling documents, including Notices of Ways and Means Motions. Details of the measures are included in the documents. I have introduced today a bill seeking supplementary borrowing authority for 1992–93. I am asking that an order of the day be designated for these motions.

In conclusion, the question that we must ask ourselves is: How can we best deal with economic change to ensure that Canada can meet the needs and fulfil the hopes of its citizens in the years ahead?

I believe the answer is clear. We must prepare ourselves to take advantage of the opportunities that the new world economy is bringing. That has been the consistent objective of the policies the government has followed in the past eight years. I firmly believe that Canada is now in a strong position to seize those opportunities.

We have all made a considerable investment in making Canada a country that can survive and prosper in a new world economy of the 21st century. This is a country where we can generate the wealth to sustain the social programs and the safety nets that are fundamental to our sense of identity and community.

There are those who would follow policies based on the world as they would like it to be rather than as it exists. But I challenge them to show how an inward-looking Canada could help Canadians to gain new jobs and opportunities in a new world economy.

There are also those who believe that more government spending and higher government debt can solve any problem, any time, any place. I challenge them to show how deliberately driving up the debt that has weakened us can make us stronger.

Today I have announced actions that will help position Canada for renewed economic success and will assist economic recovery and strengthen the basis for sustained growth and job creation. Through these actions, we are expanding our investment in the growth and vitality of Canada's small businesses in research and development, in training and adjustment for Canadian workers, in improved infrastructure and in a sound fiscal and monetary framework. These actions will help us to deal with global interdependence, but we must also recognize our own interdependence as Canadians in business, labour, government and learning institutions in the continuing effort to modernize our economy.

I appeal to all Canadians for their co-operation as together we pursue the task of securing a positive and vibrant economy for the future for ourselves and for our children. That is, remains and must be our priority as Canadians and as Canadians' representatives in this House.

Some hon. members: Hear, hear.

Hon. Herb Gray (Windsor West): Mr. Speaker, in all my years in this House, I have never seen a Minister of Finance who so misunderstands what his job is all about.

At this time this minister's job is to attack unemployment, to attack the lack of economic growth and to attack the recession. Instead, what this minister is doing is attacking the unemployed.

[*Translation*]

Instead of attacking the recession and unemployment, the minister is attacking the unemployed and the jobless, those who suffer as a result of these policies.

[*English*]

The minister is attacking the jobless by taking $2.4 billion out of the pockets of unemployed Canadians through cuts in their unemployment insurance benefits. This minister is not getting more revenue from closing the tax loopholes identified by the Auditor General. Instead, he is literally reaching into the pockets of unemployed Canadians to try to achieve his budgetary projections which were so wrong in the past so many times.

This is not an act of courage or conviction. It is a vicious attack on those least able to help themselves. The Liberals will not stand for this and certainly Canadians will not stand for this.

What is the net effect of the minister's statement? Over the next two years the Minister of Finance will take some $7 billion out of the Canadian economy, but what is he putting back? He says he will have an infrastructure program of $500 million over two years. He says it will create 4,000 to 5,000 jobs a year. In one day last week we had announcements of losses of three times as many jobs as this minister says he will create with his infrastructure program. In one day. The announcement was a loss of 10,000 jobs at Canadian National, hundreds at Pratt and Whitney, thousands at Dofasco. In one day this minister heard how jobs are going to be wiped out, three times as many as he intends to create over years of his infrastructure program.

Some hon. members: Hear, hear.

Mr. Gray (Windsor West): Even at the minister's best in a previous existence he would have recognized that the latest mini model that he is trying to peddle of his failed economic policies has absolutely no wheels.

Getting back to his infrastructure program, we do not quarrel with the projects mentioned, although I must say they have all been announced before as far as I can recall. However, I ask the minister, where is the municipal infrastructure program that the Canadian Federation of Municipalities and Provinces has been calling for for years? Where is it? There is nothing in this program for municipal infrastructure, nothing for clean water, nothing for sewers. There is nothing to put people back to work almost immediately, using projects that our towns and cities across this country have on the shelf ready to put in place and ready to put people back to work right now.

This budget is so lacking in imagination it does not even present a good attempt at sleight of hand.

The minister talks about the budget and what it does for small business. He talks about creating a higher ceiling for government guaranteed loans to small business. Small business cannot get loans from banks now under the existing ceiling.

Some hon. members: Hear, hear.

Mr. Gray (Windsor West): What good will the higher ceiling do? The minister should have listened to the Minister of State for Small Businesses who said just the other day in this House that the banks needed to be kicked in their assets. Is that not what the minister of small business said? I do not know why, if the Minister of Finance wanted to listen to somebody, he did not listen to his Minister of State for Small Businesses who in effect said that the proposal for a higher ceiling for small business loans guaranteed by the government is meaningless because the banks have not been lending the money. His weak-willed pleading today will not make one bit of difference.

• (1620)

Our regions are suffering from the effects of this government's weak and failed policies. Yet the government cuts hundreds of millions of dollars, $350 million, from programs for regional development. There are cuts for ACOA in Atlantic Canada. There are cuts for FEDNOR in northern Ontario. There are cuts for western diversification in the prairie provinces. What is it doing for regional development? What a failure, what a flop.

There are cuts for farmers. There are cuts for transportation. There are cuts for the native people about whom the Prime Minister said they have such a great need for justice. Where is the justice in this budget for our native people?

There are cuts of $172 million in the green plan. That is the supposed miracle plan to help clean up our environment.

All these cuts mean lost jobs and lost opportunities.

A previous Conservative Minister of Finance promised short-term pain for long-term gain. But all this minister is offering Canadians is long-term pain for more long-term pain.

In this statement, over two years the government is proposing cuts for defence of $1 billion. I searched through the budget papers. I asked the officials in the lock-up and I could not get any details of these cuts. I was wondering if the minister of defence had lost the information about the details in his hotel room in his last trip to Paris, because the details are not there.

This suggests that there will be no cuts in the gold-plated helicopter program, but there could well be cuts in personnel. How can this government maintain its peacekeeping commitments, its current obligations, with these kinds of cuts? If this is not a correct understanding of what is proposed, then why were details not provided in the budget papers?

Two months after forming the government in 1984, the Prime Minister stated: "We have been in power for two months. I can tell you this. Give us 20 years and you will not recognize this country". It took the Prime Minister and his government only 8 years to change the face of Canada and the change has not been for the better.

Let us look at the Canada created by this government: 1.6 million Canadians are out of work; more than 2.3 million Canadians are on welfare; 3.8 million Canadians are living in poverty, over one million of them children; over two million Canadians are forced to rely on food banks.

The eyes and ears of these Canadians are watching and listening to this House on television across this country. They are looking to this government for constructive change. They are looking for constructive change and

they are looking for signs of compassion and help and economic growth. What should have been a battle against unemployment and recession has turned into a declaration of war against the unemployed and those suffering the most from these failed Conservative government policies.

I want to ask again, as I asked in this House during Question Period a few days ago, if the Conservative medicine is so good, why is the patient, the Canadian economy, still so sick?

The Minister of Finance told Canadians in his February 1992 budget that real economic growth would be 2.7 per cent, the unemployment rate would be 10.1 per cent and the deficit would be $31.4 billion.

The Minister of Finance has failed to even come close to his projections. He admitted today the economy will grow at a rate of only 1 per cent. That is not enough to even have the economy move barely sideways instead of bringing the growth and jobs Canadians need.

The unemployment rate has surpassed 11 per cent for the last six months while the deficit, as he said today, has gone up to $34.4 billion. Even if his forecasts had been met they still would have painted a sad picture of this government's economic mismanagement and failure.

The minister was wrong. He missed every one of his projections and forecasts. Canadians will ask how the minister can be believed when his forecasts were so wrong last year and in earlier years. How can he be believed when he talks about what his policies will do next year and the year after?

Well, of course, we know that this government will not be here the year after next because Canadians listening to this budget will only be confirmed in their desire to get rid of this government at the first opportunity.

An hon. member: Why wait for spring? Let's do it now.

Mr. Gray (Windsor West): Mr. Speaker, Conservative policies for economic growth and recovery have failed. The Minister of Finance's statement today is an admission of his failure. At the same time it is a plea for mercy from the Canadian people that will not be accepted by them.

The minister boasts about the success of the trade deal and the GST. Canadians know better from their everyday experience and Canadians will pass a summary judgment on this government in the next election.

Both the United Nations and the OECD have recommended that governments of developed countries break the economic stalemate by loosening their purse strings. Japan, Australia and now the European Community are embarking on major capital and infrastructure programs to stimulate their economies out of recession.

This economic statement is lacking in many things but it is especially lacking in a commitment to strong economic growth and the job creation that goes with it.

The Minister of Finance seems convinced that there are no costs associated with inaction on the economy. But he need only ask himself why the deficit is nearly $7 billion more than he said it would be just last February.

Nobody needs a Ph.D. in economics to know that government expenditures on unemployment insurance have increased and government tax revenues are down because of the recession. Each individual unemployed Canadian is costing taxpayers $15,000 in unemployment benefits and welfare and approximately $7,000 in lost tax revenue. These are only the economic costs. The social costs are much higher in terms of the potential for increased domestic violence, increased crime rates, poor health and loss of individual dignity. The vicious cycle can only be broken by sustained economic growth, strong economic growth and the job creation that it brings.

For Liberals the ultimate objective of economic policy is to build a value-added economy that will create permanent jobs for Canadians and protect and enhance our social fabric.

This Conservative government has spent $500,000 on the Porter study and another $26 million on the prosperity agenda to study our competitiveness problems. Canadians and Canadian companies do not need more studies. They need a government that will act to create an environment that will foster economic growth and strong job creation right now.

This country needs a new economic vision, a vision of change that will create jobs for the future and revitalize our communities all across this country. We need a new economic course for Canada, one this government is incapable of giving, one that is responsive to people and

to our environment. We need one that will provide the basis for rebuilding our industrial and resource base.

Top priorities for Liberals are job creation and economic growth with a more balanced approach toward inflation and the other economic variables.

High real interest rates have taken a heavy toll on the Canadian economy in recent years. If Canada is to compete on a global basis we must have monetary policy that puts Canadian firms on a level playing field with our major competitors.

We believe that instead of the limited, incomplete and likely failure of an infrastructure program proposed in this budget we need a real infrastructure program, a national one in partnership with provinces and municipalities, to help revitalize our communities all across this country and create substantial numbers of jobs in the near term.

• (1630)

We believe that the small business sector which is crucial for Canada's long-term economic health must be revitalized. It is the sector that has proven to be the source of most new jobs for Canadians.

We believe governments must assist individuals to deal with the restructuring going on in our economy and the world. This government must come through with its oft-made but oft-broken promises of massive adjustment programs.

We believe there must be a true Canadian economic union eliminating provincial barriers to movements of goods, services, capital and labour.

Liberals believe there must be a full and dynamic research and development strategy that would truly enhance Canada's ability to create and reap the benefits of new technologies.

Liberals believe that Canada must have a global trade strategy to aggressively exploit the potential for export sales to growth areas such as the Pacific Rim and Latin America.

Liberals believe that we must foster economic growth and foster economic growth as a priority. This will help reduce the deficit by creating more government revenues without raising taxes and by saving the government billions through lower unemployment and welfare payments instead of taking them from the pockets of those people who are unemployed.

This government is not up to the challenge of creating the better Canada of tomorrow. It is a government in a state of paralysis. It is a tired government incapable of dealing with the economic problems facing this country.

[*Translation*]

This government is incapable of preparing Canadians for the challenges awaiting them at the turn of the century.

[*English*]

For months, Liberals have been urging the government to present a new budget, to replace the minister's discredited and failed budget of last February. We wanted a clear signal from the government that rather than stay the course it would change course, but we what got today is nothing more than a rehash of tired old policies from a tired old government.

Now that I have heard this economic statement, I realize this country does not need another economic statement or budget from this government. What this country needs is an election that will allow Canadians to choose a better economic path for their future. They need a path that will bring them hope, confidence and change. They cannot get that hope or confidence or change from this tired and failed government.

Let us respond to what we hear across this country. Let us respond to the calls of Canadians for an election now to get rid of this failed government. Canadians cannot take much more of the damage done to them by the Conservatives. They want to get rid of this government and go on to elect a better one as soon as possible.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, if the shouting back and forth between those twin parties would cease we perhaps could offer some comments on this.

This economic statement today is terribly disappointing. It is a classic and complacent trickle-down budget. Its benefits are concentrated on businesses. The victims of this statement are the unemployed and some of

Canada's poorest citizens who will be hit by cuts affecting the key programs that assist them.

It is made in the face of immense economic distress. There is 11.3 per cent unemployment across this country. There is long-run joblessness which has doubled in the past two years in this country. There is growing poverty. A report just this week said that 3.8 million Canadians were poverty stricken in 1990. The situation is worse in 1992.

By the government's own statistics income distribution is worsening. There are more than 2.5 million people on welfare in this country. Right across this nation human distress is getting worse and worse, and this government has presented us with a plan that does nothing. It does nothing except make life somewhat tougher for those who are losing their jobs.

By this plan which the government has brought forward today the officials of the government conceded to us that the unemployment rate will still be 11 per cent or higher by the end of the 1993-94 fiscal year. By the end of March 1994 unemployment will still be 11 per cent or higher. It is shameful that a government should bring before this House a plan for economic recovery which would leave us with 11 per cent unemployed in 1994.

This is not a solution. This is an excuse for inaction. This is a cop-out. It does nothing for the people of Canada except create more tears, more pain, and more human damage across this economy. Even in the government's own terms it is a massively irresponsible budget, almost a laughable budget.

The Minister of Finance rose in the House today and talked about the seriousness of the deficit problem. If he had talked about the seriousness of the unemployment problem maybe we would have seen something done about it. However, what he talked about was the seriousness of the deficit problem.

I have the statistics here. They are not from a budget two years ago or from a budget five years ago, they are the projections from the budget which this government brought down in February of this year.

Do you know what that budget said that the deficit would be for 1993-94? It would be $22.5 billion. That is what the deficit would be. Yet, the Minister of Finance boasted today that he is reducing the deficit to, get this, $32.6 billion for next year.

Perhaps the Minister of Finance missed an arithmetic course somewhere along the line. Perhaps, like Dan Quayle, the Minister of Finance is not very good at arithmetic. In the case of Quayle it was spelling.

• (1640)

The Minister of Finance must be kidding us when he says he has reduced the deficit from what it was supposed to be, $22.5 billion, to what it is now going to be, $32.6 billion. I would laugh except that this is not a laughing matter. This government has been in power since 1984. It cannot blame others for the deficit problem it has created.

At the end of 1992 we are facing a deficit for the next fiscal year as a consequence of this government's action that will be $10.1 billion higher than it projected just nine months ago. This is not a projection from some time in the past. As for five years ago, maybe it would be unfair to take one of the present Minister for International Trade's budgets and look at it. By his projections we were supposed to be down to a deficit of about $6 billion for next year. I am not even going to refer to his budgets.

I am just going to refer to the present Minister of Finance's budget which promised us faithfully in February of this year that we would have a deficit for the next fiscal year of $22.5 billion. In this economic statement that he expects us to endorse, what has he brought in? A deficit of $32.6 billion. Somehow he expects the House to take him seriously when he says that he is committed to reducing the deficit and putting finances on a sound basis. It was as much as his caucus could manage sitting beside him there in self-congratulatory poses not to break up laughing at that point.

It certainly was heard enough for us, with some respect for the truth, not to break down crying as we listened to the minister talk about reducing the deficit when what we saw in front of us was a government which through its own inept economic policies has taken this country to a deficit this year of almost $35 billion and a deficit next year that will be close to $33 billion.

I see the President of the Treasury Board sitting on the front benches and I see the Minister for International Trade who I know is concerned about these deficits. I am surprised that these ministers permitted a budget as

irresponsible and laughable as this to get through the cabinet. I am surprised that this government would even be prepared to come before the Canadian people and expect to be taken seriously, having promised us nine months ago that next year's deficit would be $22.5 billion and now expecting us to cheer because that deficit has been brought down to $32.6 billion. This government must be made up of clowns to expect us to accept that kind of faulty arithmetic.

What should we have done? What should this economic statement have presented to the people of Canada? It certainly should not have presented an increase in the deficit.

We have reached a stage under the irresponsible financial management of this Conservative government and the previous Liberal government at which the deficit level in this country is simply impossible to sustain as a nation.

We should not have seen an increase in the deficit. Instead, we should have had a government come before us and say three things. This government should first have said that it recognizes that it has been financially irresponsible and it is going to plug those corporate loopholes, those tax escape hatches that have permitted this deficit to rise to such unsustainable heights. It should have come before us and said it has listened to the report of the Auditor General, who said there was upward of $1 billion in taxes escaping this government because of companies sending money out to tax loophole countries where they could write things off and then send dividends back to be untaxed in this country because of tax agreements we have with these tax loophole countries.

It should have introduced something to stop that from happening. It should have introduced something to deal with the immensely unfair escapes that wealthy people in this country have under the present capital gains tax loopholes which this government put into effect.

Over 60 per cent of the $3 billion in tax relief which is given to people by this capital gains tax loophole goes to people whose individual income, not family income, is over $100,000 a year. These are not exactly hard up farmers, hard-working small business people or people who are selling their only house, all of whom we would want to see continue to get exemptions from capital gains tax.

These are people who are taking advantage of our tax system. As a result we have a deficit in this country which is sky-high and unsustainable. It is causing massive income disparities and massive increases in the interest rates in this country. Frankly, this government looks like a fool when it comes before us to talk about a $32.6 billion deficit for next year when it promised a $22.5 billion deficit.

It should have closed the loophole for entertainment tax deductions. That would have given us another billion dollars in revenues. It should also have looked at the deductions that a Canadian corporation can make for interest payments on a loan it takes out here in Canada and uses to buy up new assets or create new jobs not here in Canada but in Germany, the Caribbean, the United States, or any place except this country.

That interest deduction loophole which exists in the tax system should have been closed. If it had closed these loopholes that in itself would have freed up something like $4 billion to $6 billion in new resources that we could use to get people back to work and to cut taxes, not for corporations but for working people and middle-class people in this country, the people who have been hit so hard by the goods and services tax of which this government boasts.

• (1650)

We could have done something about the family trust loophole about which my colleague, our tax policy critic, has been talking so effectively in the House of Commons. That loophole was supposed to run out as of 1993, but the Conservative government, as usual listening to its rich and wealthy friends, has decided to extend it. The Liberals started it. The Conservatives continued it. Only New Democrats will end it and give us tax fairness.

If we had this kind of tax fairness we would not have the deficit in front of us that we have at the moment. We would not have the number of people out of work that we have at the moment. We would not have the disastrous economic conditions which are damaging people from coast to coast to coast. We could have dealt with tax loopholes. That is one thing the government should have done in this economic statement.

The second thing it should have done was recognize what many countries in the world have come to see. The cold war is over. Having a defence budget for our country that is as large or larger than it was two years ago

is simply senseless. We have a defence budget of over $12 billion. There is no way to justify a defence budget that is just as large now as it was when there was a supposed massive military threat from the Warsaw pact and the Soviet Union. The Soviet Union, in case the government has not noticed, has dissolved; the Warsaw pact has broken up. The various countries that we thought of as enemies are now our allies in many cases.

The threat to people in this country is not from the Soviet Union; it is from the government.

We needed to see in this economic statement a cut in defence expenditures which had some seriousness, a cut not of $200 and some million this year and $200 and some million next year but a cut of some $2 billion. That starts to give this country a defence budget of some significance, yes, but of some proportion to our size and what we can contribute in the world. We should have seen that in the economic statement.

We should also have seen a deliberate plan set out to reduce interest rates in Canada. If we had interest rates in Canada which were three percentage points less than they presently are we would free up resources to help with new jobs, to help in tax cuts, of close to $4.5 billion.

If we add these various possibilities—closing tax loopholes, cutting defence expenditures and reducing interest rates—we would have had savings that could have been announced by this government of something on the order of $11 billion to $12 billion. I hardly need to say that $11 billion to $12 billion could have made some real reductions in the deficit. There would have been some money left over to provide tax breaks for people in Canada, some money left over to provide help for those who are out of work. We should have taken that $11 billion to $12 billion and used some of it for deficit reduction but used much of it for a real program of economic recovery.

It could have been a Canadian economic recovery strategy that stressed environmental upgrading for our cities and that stressed social housing for people who are so poorly housed in many cities throughout Canada. It could have been an approach that said: "Let us have some tax cuts as the first step to getting rid of the GST".

We do not need a goods and services tax in Canada. It is an unfair tax. It is a tax that hurts small business. It is a tax we can get rid of if we close some of those tax loopholes and get a fair taxation system.

We should have seen a national investment fund launched by the government, a fund which would do something to see to it that money actually got to small businesses that needed it and could not get it from the banks these days. We should have seen to it that money was available for communities to help keep companies operating which were facing problems and being shut down by their foreign parents in the United States. We could have kept those companies going. We could have kept them active and employing Canadians if we would have had in Canada a national investment fund to provide venture capital and to provide real help on an investment basis, combining both government help and private sector help to see to it that companies were kept operating in Canada instead of being shut down by their parent companies.

Instead of boasting about NAFTA and what North American free trade was going to do for us, the Minister of Finance should have stood today and said: "We suspend all further discussion of NAFTA. We are not going to damage the Canadian economy further in 1992". If we had seen that, we would have seen a chance for people, workers and even many small business people in the country to have felt some sense of security, some sense of potential in their businesses and in their jobs in the future. They would therefore have gone out and spent some money. They would have invested some money and we would have had extra jobs in the country.

We also need a new approach to trade that does not just see our role as a country, our future as a country in tying ourselves to the United States and tying ourselves to Mexico but sees ourselves as an internationally competitive country with a strategy to build up Canadian based operations to be able to export successfully throughout the world and be able to build up jobs in the country for Canadians.

We could have had it stressed in the statement by more examples of Canadian content being put into effect in various sectors of the economy.

• (1700)

For instance, a group appeared before us this morning from McDonnell-Douglas aircraft in Toronto. It said that the government was prepared to help, if it was prepared to give money to Canadian Airlines to stay aflight then: "We are not going to argue with that, but if the government is prepared to provide money to Canadian Airlines", these people for McDonnell-Douglas Canada said to us, "it should be prepared to require Canadian to buy Canadian in terms of the aircraft it uses".

It could have been part of any loan agreement that was established. There are all sorts of other conditions in that loan agreement. It could have been part of the agreement that there would have to be Canadian content in every future aircraft purchase that Canadian Airlines makes.

I fly back and forth to Windsor every weekend in a Brazilian aircraft. I find it interesting. They make good aircraft. Frankly I would rather that aircraft were Canadian and providing jobs to Canadians than providing jobs to Brazil. If we are providing the money to Canadian Airlines, we should be insisting on conditions that mean jobs for Canada and jobs for Canadians, just as is the case in the present auto pact which has been important for my community and for other communities throughout Ontario.

When government itself makes purchases it should insist on making, wherever it can, its purchases of goods and services from Canadians to provide opportunities for Canada, to provide opportunities for some of those 1.6 million people who are out of work in this country to get back to work.

We must also recognize that many people in this country have been hard hit by this government's economic policies. We must see to it that we maintain the values and commitments to support those people that have always been part of the Canadian heritage. Instead of cutting back benefits to unemployment insurance recipients, we should be extending those benefits in this period of high unemployment so that those people have money and the money can be used to help this economy, to help small businesses and to help the rest of the economy as well.

The government has decided on a whole lot of different approaches. It has some measures to help small business. We support those. It is sensible to assist small business. We have been calling for that for many years. I have to say it is a bit unfair when small business owners are told that they will get a premium holiday for new people that they hire as far as unemployment insurance premiums are concerned but the workers who will be hired are told that they will have to pay those premiums even though their employers will not. That is not even-handed and fair.

We have some tax changes to the RRSP system which helped the co-operative movement. My friend from Prince Albert will be particularly pleased to see those. I am pleased to see them too because we have long argued that there should be some fairness, some equity for people who are forming co-operatives.

There are as well some initiatives on infrastructure. It is interesting when we look through the initiatives on infrastructure that there are a lot in different parts of the country but it is very hard to find any in Ontario. I wonder if that could have anything to do with the quarrels about the nature of this infrastructure initiative that have been taking place between the provincial Government of Ontario and the federal government. I wonder if this government is not punishing Ontario for insisting on an infrastructure strategy that would be beneficial to the whole country, not just to parts of the country.

Finally, there are two parts of this package which are especially shameful. There is a reduction in unemployment insurance support at a time when there are more people out of work in this country, more people out of work in Ontario, than we have seen since the 1930s. Yet, what does the government do? It reduces the level of support for people receiving unemployment insurance from 60 per cent of their earnings to 57 per cent of their earnings.

It goes further. It says: "If people are dismissed for misconduct". Who decides what misconduct is? If they are dismissed for misconduct they will not get unemployment insurance. I look forward to various unemployed people coming to the Conservative members of this House and their constituency offices and saying: "I am out of work. My boss says that I was somehow guilty of some misconduct and the result is I cannot get any unemployment insurance".

An hon. member: After you have paid into it.

An hon. member: And the boss does not pay.

Mr. Langdon: After they have paid those insurance premiums for years and years and years.

An hon. member: That is sickening.

Mr. Langdon: Let these Conservative MPs explain to their constituents why they have put such a vicious, nasty hook into the unemployment insurance system.

What is the consequence of all this? The consequence is, believe it or not, an unemployment rate at the end of the next fiscal year which will still be 11 per cent or higher. That is tragic. The Minister of Finance spoke the other day about how we were in an economic recovery. How could he pretend to the people of Canada that this is an economic recovery if there is still going to be 11 per cent unemployment in March 1994? That is not recovery, that is still economic disaster for far too many people in this country.

The Minister of Finance has talked about a gentle nudge forward for the economy as being what he expected to provide with this statement. What he has done is kicked the people of Canada in the stomach with this economic statement. He has given the people of Canada a series of cutbacks that will cost 3,000 to 4,000 jobs in the Public Service and a series of vicious changes to the unemployment insurance system which will make life much harder for those who are out of work.

On top of all of that, he has given us the laughable arithmetic that tells us he has reduced the deficit from the $22.5 billion he projected in February this year to a remarkably miraculous level of $32.6 billion which he now says will be the deficit for next year.

This is a government that has seen its day. It is a government that has got to go. It is a government which for the sake of this country should be gone. It is a government which clearly, in bringing forth a mini budget, has simply presented us with mini ideas, presented us with no plan for the future, no plan for unemployment, and no plan for economic progress for this country.

• (1710)

There is no plan for a trade strategy that will help us to regain our independence, so much of which we have lost with the free trade agreement. This is a government which has given us nothing but pain in this budget.

It has given us nothing but pain and a kind of tragic comic performance as the Minister of Finance tries to persuade us that he is being fiscally responsible when he has created this intolerable recession, hurt millions of people across this country and will leave Canada in far worse shape economically and financially when this government is defeated, as indeed it must be defeated in 1993.

There is an alternative. I have tried to set it out in some detail. It is an alternative which will work and, more important, it is an alternative which will get Canadians back to work. I urge this government to even today withdraw this laughable economic statement.

Tell us: "We are sorry. We apologize to the House for bringing this joke before Parliament. We will bring a new budget to you in December". In the meantime, let us adjourn this House of Commons. Let us let this government go and think for a while.

If it thinks things through right it may even recognize that the proper course of action for it to take is to stand up today and resign as the Government of Canada.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, we have just heard two sorry responses from the NDP and from the Liberals. There has been lots of bluster, lots of rhetoric, and lots of hand wringing but no new ideas. There were no specifics but only a throw back to the policies of the 1960s and 1970s. They were vintage policies that have not improved with age.

The Liberal critic says he would spend. He gave us some ideas about how he would spend. He gave us some ideas about why he disagreed with the reductions in spending that we have brought in. That is the difference. He has opposed every way that we have proposed as to how we would keep this government's spending on track.

It would be folly to follow the approaches that the Liberals have set out because they would lead to an increase in the deficit, an increase in interest rates, a slam on business confidence and they would kill the economy.

He is saying he wants to have some compassion, some help and some hope but is that going to come for an economy that has been killed by high interest rates,

because that is precisely the result of the policies that he is putting forward?

What is needed now is a vision of the future, an understanding of the type of world that we are in today. We need a vision of an economy built on greater training, greater research and development, greater investment, stronger small business and a greater opportunity to expand internationally.

This is what the Minister of Finance has put forward today. We have heard words from the Liberals and we have heard wishes, but we have heard no new ideas. This is a government that is dedicated to action. The Official Opposition is tired, it is devoid of ideas and that is a fundamental difference between the message from the Minister of Finance and the tired statement from the Liberal finance critic.

The response of the New Democratic Party is equally unrealistic. It is following the same policies which the New Democratic Party in Ontario found—

An hon. member: Throw money at it.

Mr. Wilson (Etobicoke Centre): My friend opposite does not like me talking about this but the NDP in Ontario found that its policies did not work. Listen to Bob Rae today. He is saying: "I have learned a lot in government. I have learned that we cannot do all the things that maybe we liked to talk about in 15 years in opposition". Now we are seeing the U-turn. We are seeing the NDP in Ontario scrambling to cover its mistakes, cutting hospitals, cutting schools, cutting universities, cutting social programs, having to face reality because it started off on the wrong foot and had a 13 per cent increase in spending in its first year on top of five or six years of 10 per cent increases in spending by the Ontario Liberal Party.

It is no surprise that we are getting these policies from the NDP. They are still living in the past. The Leader of the New Democratic Party has written about this. She has talked in glowing terms about the successes of the Swedish economy, the so-called third way that the New Democratic Party has been championing, but more recently Sweden is coming back to reality as well. It has found that the real world is something that it cannot hide from.

I want to quote from the *Economist* of November 28: "Many Swedes may now prefer to go back to their old shell", something we just heard now, "That would be a mistake", it says. "Even in a closed economy, a retreat to high taxes and high inflation would only make matters worse. But the world economy is growing ever more integrated: With capital and skills freer to move, Sweden cannot go back to its old ways without seeing both sorts of assets leak abroad. The third way, if it ever really existed, is no longer there".

We have just heard from the NDP about the third way. Both opposition parties simply do not understand what is happening in the world today. This recovery is slow. The Minister of Finance has acknowledged that. But it is slow because there is a significant amount of restructuring going on in the economy today and it is the same the world over as business changes and adjusts to the challenges of the 1990s and beyond. Stimulating the economy today through more spending is not the answer. Encouraging and assisting the change that must occur is the proper role of government and that is what the Minister of Finance has put before the House and the Canadian people today.

I am honoured to be a part of this debate to talk about the government's vision for the Canadian economy in the 1990s and beyond and what is needed to get there. It is a vision of a new vibrantly competitive Canadian economy prospering in the new global economy. It is a vision that focuses on investing in growth for the long term as previous generations of Canadians have done for us, but it also takes account of the fiscal realities and the global competitive realities of the world today.

This is a vision that is shared by Canadians throughout this country. We found that in the 186 communities that the Prosperity Initiative visited over the course of the past year, and we listened to these ideas coming forth from Canadians. These ideas are represented in a large fashion in the message that has been delivered by the Minister of Finance today. This dialogue has resulted in a remarkable consensus about Canadians. Read the Prosperity Initiative. Read the steering group report. It sets out clearly the consensus that Canadians put forth to the steering group and that we have listened very carefully to and have reflected in the message today.

Canadians are telling governments to stop trying to direct the private sector and instead do our traditional jobs better by investing in people and making sure that we get it right so that all Canadians can enjoy the benefit of a high skill economy by creating the right investment

climate, by building the public infrastructure that only governments can provide, by opening trading markets internationally so that we can compete and win on a global scale, and by investing in sound monetary and fiscal policies, by remembering that governments exist to serve Canadians and hence rediscovering our clients, the taxpayers, and serving them more efficiently.

• (1720)

Finally, we must stop the incessant quarrelling among our stakeholders and start collaborating, building partnerships, and finding the best way of doing things.

The economic statement we just heard today goes directly to the heart of what governments should be doing to improve the long-term climate for growth in this country. It is not enough for the opposition parties to bluster and wring their hands about weak growth and high unemployment. Those are facts of life in many countries of the world today. What we have to do now is find how we move from here in the most effective way possible because all Canadians and all people on both sides of the House are concerned about these problems.

The debate is about the respective visions that we have for the future of our country. Unlike the NDP and the Liberals today ours is not a vision of an economy that is force-fed by the government. It is a vision of an economy of the future where government motivates productive activity by entrepreneurs, innovators and people building their skills and by business people competing internationally.

This is the economy that we will build in the 1990s and beyond. It is an economy that is totally unknown, unfortunately for our friends opposite. They simply do not understand the reality of the world that we live in.

The prosperity consultations hammered home, hopefully in a way that even the opposition could understand, that there is a need to keep our fiscal house in order and to strive for a tax system that contributes to a dynamic and growing economy. The statement follows a fiscally responsible course because that is the only way we are going to get interest rates down in a way that can serve the development of this economy.

There are no new taxes in this economic statement and this is not the first time. There were no tax increases in the 1991 budget. There were tax reductions in the 1992 budget and again in this economic statement so that Canadians could invest in growth and see this country build.

The tax reductions that were announced by the Minister of Finance today will improve the competitiveness of Canadian companies. However, provincial governments have to build on and not offset these measures if Canadian companies are to adequately grow, prosper and create the high paying, quality jobs that we all want to see in this House. The difference on this side, though, is that we put in a statement the specific actions needed to create those high paying jobs.

It is particularly important for provincial governments to follow the same approach because there is only one taxpayer. As the federal government reduces the tax burden it would be particularly counter-productive for any province to raise its taxes in any form. This is a particularly strong recommendation that comes forward from the prosperity action plan.

Investing in growth has to start with small business. This is a vital sector of the Canadian economy. It has created some 80 per cent of the jobs created since 1984.

To encourage new jobs and expansion the government will pay the unemployment insurance premium costs for new employees for the vast majority of small businesses in 1993. That will save employers some $500 million to expand their employment and their production and to encourage investment and machinery and equipment. These are crucial areas for the competitiveness of small businesses.

There will be a 10 per cent tax credit from now until the end of next year. There will be a new small business financing program to help firms reduce their borrowing costs. That will be extended to the end of 1994. The Small Businesses Loans Act has been expanded in a way that will help these small businesses to expand.

The importance of research and development in the prosperity consultations was another thing that we heard about on an ongoing basis. People recognize that Canada has one of the most generous tax systems for research and development in the world today. However, this has to be put in the context of its importance for our future prosperity by shifting rapidly to high valued-added prod-

ucts either in traditional industries or in new growth sectors.

In the 1992 budget we improved on this tax regime. However, we found since then, based on our consultations, that we could do better here. This is what the Minister of Finance has proposed by earmarking a further $500 million on top of the $230 million in the last budget. It is to improve the tax treatment of equipment like computers that become obsolete quickly due to rapid technological change and some other initiatives.

Innovation based on research and development and technology adoption needs more than just tax incentives. It needs new forms of infrastructure. Building and maintaining infrastructure is one of the government's most essential roles. Here we have some important announcements again from the Minister of Finance. The infrastructure includes roads, bridges and water treatment plants. It also means the new infrastructure that goes beyond physical capital and hardware and includes soft infrastructure like information and research networks.

Funding for the Canadian network for the advancement of research, industry and education, the CANARIE project, will enable the development of a state of the art, high speed, high capacity data communications network to transmit information across this country. It will be a true electronic highway of the future. This is absolutely critical for the research institutions of our country today and one of the recommendations of the prosperity action plan.

In response to the clear message that we heard in the consultations, the adoption and adaptation of technology by Canadian industry has to accelerate. We will extend the Industrial Research Assistance Program, or IRAP, offered by the National Research Council. That currently provides technical advice and counselling to roughly 10,000 firms every year and financial support to about one-third of those firms to introduce technological innovations to their businesses.

This is a particularly important program. We will consolidate the delivery of the government's technology diffusion programs within IRAP. That will go a long way toward the implementation of the vision that we have as a government of a national technology extension system. This is particularly important for the small business community.

There is a commitment to total quality management here that is also important which I want to mention, because this commitment to quality must go hand in hand with the technologically advanced economy.

The response we have given here is consistent with what the prosperity initiative recommended to us. It is a national quality initiative with a Canadian network of total quality institutions. It brings together those people in the business and educational communities, plus the Conference Board of Canada, in a network to encourage the dissemination of these ideas in helping small business adopt these ideas and bring themselves into the world of quality which is absolutely essential to the competitive position of the Canadian economy.

In terms of regulatory reform, not all taxes are transparent or collected. There are other types of taxes and I am talking about the hidden tax burden of regulation. The Minister of Finance has set out very clearly what we have been doing here since his 1992 budget. Two hundred and fifty regulations have been reviewed and 50 per cent will be amended, sunsetted or eliminated.

The review has now been extended to 17 other departments and six agencies. There will be new rules for federal regulators and this will be done in consultation with the private sector in a way that will result in an effective reduction of this burden of regulation.

I will talk about opening markets for Canadian business. Tomorrow, I will be meeting with the provinces to talk about the reduction and elimination of the interprovincial barriers to trade. This is very consistent with what we have been doing in the NAFTA negotiations and the free trade negotiations as we open up our markets into the United States and into Mexico. We have done well under this.

I spoke in the House on Tuesday about how well we have been doing in increasing our business into that market. As the Minister of Finance has pointed out, it is the combination of access to that market and reduction in the costs to our manufacturers—such as the elimination of the federal sales tax and its replacement by the goods and services tax—that has been a very important part of that 10.5 per cent increase in exports that we have seen this year compared to last year. The C. D. Howe Institute has a very good report that I encourage you to read, Mr. Speaker, that shows how we have improved

our performance in high value-added exports to the United States. It is those very exports that have been subject to the reduction in tariffs as a result of the free trade agreement.

• (1730)

We just cannot wish that we had high value-added goods and services produced here in Canada, as the Liberal finance critic said. We have to do things and implement policies to bring this about. This is what the free trade agreement and the goods and services tax have provided for us.

In NAFTA we will be able to extend these opportunities further into the Mexican market. That is a high-value, fast-growing market in the future that is going to be important for us.

Let me close with just a few words about my meeting tomorrow, because I am sure the House will be interested in this. We have committed, as the federal government and provincial governments, to eliminate burdens that are costing $6 billion to the Canadian economy, which is the interprovincial barriers to trade. There have been a number of reports on this, but these are not hypothetical things, these are specific impediments to trade: government procurement preferences, local content rules, restrictive hiring and trade practices, predatory business regulations, liquor regulations and other obstacles that hurt our workers and that hurt our businesses.

When we think of all we are doing internationally to open up markets it is particularly ludicrous that we continue to maintain these barriers within Canada and make it easier for some of our companies to do business into Canada from outside Canada, rather than doing it from other provinces where we can keep those jobs here within Canada.

In conclusion, these last few years have been difficult years, not only for Canada but for most industrialized countries. There are no magic solutions. There are no painless answers. The adjustments to the new global realities have been difficult. They will take time, but they are very necessary.

At the same time, we have to build a stronger, more competitive economy. This is what this statement has proposed for us today. It is a statement that is based in large part on the consultations that we have carried out this year that have produced many, many good ideas that have been implemented as a result of the statement today.

However, we must never lose sight of one of the most important messages that we obtained from the prosperity consultations. That is the need to work together as a country. If we are really going to create a stronger economic base and growing business confidence all Canadians need to seek out and build these partnerships in collaborative approaches to the problems that we are facing as a country. In a quickly changing world we have to be nimble, not numb. Adapting quickly to the rapidly changing global economy requires that teamwork

Teamwork and a sense of partnership within this House are what we are calling for so we can address these problems and do so in a way, as the Minister of Finance has pointed out, that will bring us into that new economy of the 1990s and beyond in a strong way. It will be in a way that reflects the wishes of Canadians and produces those good jobs and the security, hope and confidence that we can have in the future.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I want to ask the minister about a very specific matter in this economic statement which I find excessively cruel. It is the proposal that unemployment insurance benefits be cut back for those who are unemployed.

One might understand such a measure if there were a lot of jobs out there and the government was trying to encourage or force lazy unemployed persons to leave the unemployment insurance rolls and go out to seek those jobs. However, that is not the case.

In most parts of the country there are no jobs. The jobs that these Canadians need have been completely eliminated. Factories have closed or cut entire programs, which is also the case with businesses with white collar jobs. In many parts of the country there are no jobs to go to.

There are about 1.5 million Canadians unemployed with double digit unemployment rates in almost every province. Yet the government is cutting back the unemployment benefit which is meant to see people through their period of unemployment, to help them pay their rent, to buy their groceries, to pay for the essentials of life, their children's clothing, transportation and so on.

I fail to understand this. Is the government saying that rents will be cut back by a similar percentage and that grocery prices will be cut back, that this cutback on their only income, their unemployment insurance benefit, will be paralleled by cuts in prices in other areas? How does the minister justify this excessively cruel proposal? I guess the other side of it is that the government is going to cut unemployment insurance altogether for those who leave their jobs without just cause or are let go for misconduct.

That would be all right and we would support it if misconduct was so clear or if leaving your job without cause was so clear. However, we all know that because of personality conflicts and all sorts of other reasons people are often forced out of jobs and it is very difficult to decide whether it is just cause or not. The Minister of Employment and Immigration knows that too because he has to deal with that. Who is going to decide what is just cause in leaving employment when a woman is harassed by her boss or when some other similar incident takes place?

I would like the minister to tell us how he, as a long time minister in this government, can justify these two proposals: cutting back on unemployment insurance benefits for people who are unemployed and totally eliminating, without any arbitration or conciliation proposal, unemployment insurance for people who have to leave their jobs?

Mr. Wilson (Etobicoke Centre): Mr. Speaker, I think my hon. friend will be hearing a fuller explanation of this from my colleague, the Minister of Employment and Immigration, in due course.

However, let me just respond directly to the points that my friend has made. We have, over the course of the eight years we have been in government, been fighting to maintain the finances of this government in a way that will get the deficit down, a deficit we inherited that was far too high.

We are not happy to cut these programs but it is a fact of life that if we do not cut them interest rates will go up and that will slow down the growth in the economy. If the economy slows down it is going to make it far harder for the people who are unemployed today to get their jobs back.

The program that we have proposed here is not just a one-sided program. It is a program that maintains the benefit level, the current beneficiaries are grandfathered so they will not be affected by this. The Prime Minister has also announced a $300 million special initiative for displaced workers to help give them the support they need to get back into the work force and get off unemployment insurance.

If my friend looks at the broad motivation here, which is to get the economy moving as quickly as we can through reducing interest rates but also trying to treat unemployed workers fairly by not reducing their benefit but by keeping it level for future years, he will see that this is a balanced approach to a very, very difficult problem.

Mr. Phillip Edmonston (Chambly): Mr. Speaker, I was listening with a great deal of interest to the minister's comments. My question is a very simple one. It seems to me that the government is looking for ways that it can cut expenses and at the same time raise revenues. I am just wondering why it did not use the Auditor General's report as a kind of Rand McNally map to economic independence, to gaining revenue and to cutting down a lot of the money that is wasted by this government.

I would just like to ask the minister two questions which are closely related. The first question deals with the GST. Many of my constituents have written to me saying: "Why not simply apply the GST in the financial institutions sector, transactions between stockbrokers and investors and so forth?" I know that the minister comes from that sector. He must have a particularly keen insight into why we do not have GST on those kinds of transactions.

• (1740)

Second, and this comes from the Auditor General's report. Why not look to the creation of 10,000 jobs estimated by the Auditor General through more efficient management of the forest resources on Indian reserves? This is not just speculation. This is what the Auditor General says: "10,000 jobs".

I just asked two specific questions of the minister and I would appreciate two specific answers.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, a general comment in response to the hon. member. Every time the Auditor General's report comes out we study it from start to finish. Every department that is affected by the report is asked for a response. Many of the responses to the Auditor General's recommendations have been implemented. That is one of the reasons why, as the Minister of Finance pointed out, we have been able to reduce the cost of the operations of government by something like 20 per cent after taking into account the effects of inflation.

As for the two specific points that my hon. friend has made. First he asked: "Why not apply the GST to financial institutions?" In a word, because it is too complex to do it. There is no country in the world that applies a sales tax like the goods and services tax to financial institutions.

When I was Minister of Finance and when we were bringing in the GST we looked at a range of ways to do it and we found that they simply did not work. It is no surprise because no other country has been able to find a way to do it either.

On the second point, concerning the question of management of forest resources. As I said, we will be reviewing this as we review every other recommendation of the Auditor General. Either the Minister of Indian Affairs or the Minister of Forestry will be able to provide my friend with a more specific response in due course.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, my question is to the minister. Again we have a continuing decline in real salary for employees of the government as well as for members of Parliament, ministers and the Prime Minister. It is fairly easy in our salary range to take a salary freeze for three full years. However, it is not so easy for the tens of thousands of Public Service employees who are earning less than $20,000 a year.

I have these questions for the minister in terms of how much ministers and the Prime Minister are co-operating in this effort. Will ministers now be reversing the step they took a couple of years ago of doubling the number of employees they can take out of their departments and cut back from 40 to 20 to assist their departments in these downsizing and cost-cutting measures.

Will minister's and the Prime Minister's operating budgets, expense accounts and various other means of compensating for a freeze in salary be reduced? Will ministers reduce their draw on the resources of their departments to serve the political purposes of the minister's office, such as advertising, polling and so on?

Mr. Wilson (Etobicoke Centre): Mr. Speaker, these are obviously very detailed questions. The President of the Treasury Board will be speaking to the House during this debate. At that time I encourage my hon. friend to direct those questions to him.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, since there are so many members of the Liberal party who wish to speak in this debate we will be sharing our time. My time will be shared with the hon. member for Algoma.

The economic statement given to us today by the Minister of Finance was the ultimate in doublespeak and cynicism. On the one hand this Conservative minister speaks of compassion and caring. Great buzz words. The government says it wants to stimulate the economy, create jobs, improve productivity, help research and development, economic growth and so on.

The government says those things on the one hand, but on the other hand it continues with the same failed policy. It continues with the same supply-side, trickle-down policy that was just totally rejected in the United States. The policy that it is following, and unfortunately continues to follow, has been carried on for the past few years in this country, in Great Britain and in the United States. It has left nothing but disaster: the closing of plants and businesses all over the place and high and record levels of unemployment and bankruptcies.

The government speaks about giving assistance to certain sectors and it has. It does give some assistance to certain sectors in this economic statement but it is only token assistance and will not do much at all. When the minister speaks about alternative plans and when the minister for trade who just sat down speaks of alternative plans I would urge them to look at the plans and suggestions put forward by the Clinton-Gore team in the United States, which have been publicized for several years by Robert Reich and other American economists.

In fact what it is doing is staying on the same old track when nearly everybody who has something to say about economics has said that it should be on a different track.

I will get to this in a second, but sure, it has said that we are in a recession. However, it blames that recession on everyone else but itself. Instead of adopting policies which would run counter to the recession it is continuing with policies which stimulate and fuel that recession.

In the statement the government blames the recession, the unemployment, the bankruptcies and the terrible economic situation that we are in on world market conditions, on world recessionary trends, and on a whole lot of things except its own policies.

If we look back over the last few years, let us just look at the GST. Economist upon economist and think-tank upon think-tank have said, even those that agreed with the GST, that it was the wrong time to bring in such a massive tax increase and change. These experts said that if the government brought it in at the time it did it would only make any recession that was on the horizon much worse.

In many cases it is the government's policies that have deepened this recession and have made it much worse. Yes, there is a world-wide recession and we would be facing recession in any case. However this government, contrary to the advice that was given to it, not only in this House but from many parts of the country, went ahead with measures which stimulated, deepened and made things even worse than they would otherwise be.

One could say the same thing about the free trade agreement, which is not just a free trade agreement. It is an agreement to export capital and to import investment in this country, to sell out the control of our industry and resources. A real free trade agreement means that we produce goods and services in this country and we sell them to the United States without any tariff or with low tariffs and it does the same with us. It does not mean that we move entire businesses to the United States, that we set up a system in which we move entire businesses to the United States. That is not free trade.

That goes much beyond free trade. A free trade agreement does not mean that we open up our country so that the United States, in this case, can buy out and take control of many of our major businesses, close them down, consolidate them with businesses in the United States, supply Canada from American factories, and only set up and leave warehouses in this country.

The ills and the problems that we face were to a great extent made by this Tory government since it has been in power.

The government talks about a leaner Public Service. Of course, it does so at the expense of extremely bad service. All of us who are members of Parliament are faced with letters and telephone calls from people who telephone day in and day out, let us say to the unemployment insurance office or to the pension office, but they cannot get someone to answer the line because there are not enough employees or because the lines have been cut back. The service in many departments is terrible. There has been a loss of jobs.

• (1750)

Worse still, what this leaner Public Service means for the government is a greater opportunity to contract out to its friends. It spends money. It shows us the numbers in the Public Service and yes, they have been decreased.

However, the government takes the services previously carried out by public servants on a full-time basis and contracts them out. Those services could be cleaning buildings, accounting or whatever. The government contracts them out to its friends and those companies certainly make good profits out of those contracts. The people working for those companies and performing the services are, for the most part, paid at minimum wage, are without unions, have no pensions and no benefits whatsoever. That is the sort of leaner Public Service the government is talking about.

The most disgraceful part of the economic statement today concerned the provisions with respect to unemployment insurance. When the free trade debate was carried on a few years ago we said on this side of the House that this would lead to a harmonizing of American social programs with Canadian social programs. It would lead to a levelling down to what the American social support system was.

In fact, that prediction is taking place in many areas. It is taking place with respect to our pension programs, family support programs and also with respect to unemployment insurance.

The government started on that road when it brought in this massive reform of unemployment insurance a few years ago. It withdrew total government contributions to the fund and put the fund totally on the backs of the workers and employers. It cut back on the benefits and made it more difficult to qualify. It also put a much harsher penalty on those who had quit or those who left for misconduct.

I have no problem with penalizing people who really quit their jobs because they just do not want to work any longer or because they are lazy. I have no problem with penalizing them. I have no problem in penalizing people who truly misbehave. I have no problem when they are truly fired for misconduct.

However, we all know that people quit certain jobs because it is impossible for them to stay in that job. Often it is because of serious personality conflicts with the boss. Sometimes for women it is sexual harassment. Sometimes it is because of other types of harassment and it is the same with misconduct. What one boss will call misconduct an independent arbitration agency may not call misconduct at all.

To leave these people without any unemployment insurance and no improved system to determine whether there is just cause in quitting or whether there was really misconduct or not in being fired is a disgraceful treatment of our unemployed Canadians.

I could talk for a long time about the terrible situation in Montreal but I only have three or four minutes left in this debate. In Canada we face the worst recession since the 1930s with more than 1.5 million Canadians unemployed and 2.3 million on welfare.

Every time the government cuts back on unemployment insurance what does it do? If there were jobs for these people to go to that would be one thing, but when they run out of unemployment insurance and there are no jobs they go on provincial and municipal welfare systems. This government shifts the burden for the unemployed to the provinces and in Ontario and Nova Scotia to the municipalities.

Does that solve the problem? No, it does not. It makes it look good as a government because it says: "We are cutting back programs. We are cutting back staff". In fact the ordinary person in Canada who cannot find a job is shifted from unemployment insurance, which had been in the past a more substantial and a better program, over to provincial welfare schemes.

We still have 2.3 million people on welfare and 3.8 million people living below the poverty line. That includes one million children. We have now in Canada two million people who rely on food banks. Those are the national figures. The figures for Montreal are much worse than the national figures.

In Quebec, for example, the unemployment rate is 11.9 per cent, there are 405,000 people unemployed. Unemployment in Montreal is 11.8 per cent, there are 188,000 people unemployed. Welfare rolls in Quebec are growing at 3,000 persons per month. In Montreal 615,000 people, 15 per cent of the population of greater Montreal, live below the poverty line.

Bankruptcies have hit all-time record highs. The loss of manufacturing jobs and the loss of jobs in transportation and communications, which is a major industry in Montreal, are all at record levels.

I have only a few minutes left and I want to deal with the alternatives. The government asks us: "Well, what are you suggesting in place of what we are doing?" We are saying that we need a mixed economy approach.

This country prospered and the greatest days of prosperity in this country were when we had a wise mix of government action combined with private sector initiative. That was so in the United States.

The philosophy on which this Tory government stands, that the marketplace will take care of everything, has been shown to be a failure. It was shown to be a failure in Britain. It has been a failure in Canada. It has been a failure in the United States. They believe in this trickle-down theory, that if we help the rich, if we help the big businesses, it will trickle down and help the ordinary Canadian. But it has not done that.

The government is cutting jobs right and left, yet it continues on this same track. It will get the same treatment when the election comes that the tired Reagan-Bush bunch got in the United States. Government members will be kicked right out on their fannies because the policies they are adopting and continue to follow are wrong. They are wrong. They have been

proven wrong on three continents and they had better get the message soon because people are not going to take it any longer.

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Mr. Speaker, when the minister gave his remarks earlier today he said that he wanted to have the differences in philosophy brought out and that is what we certainly just heard.

Now, there clearly is a difference in philosophy between this side of the House and that side. Listening to my hon. friend from Notre-Dame-de-Grâce I had difficulty telling the difference between his approach and that of his socialist colleagues a little further down the line. He calls it a mixed economy approach. What he left out was the other part of their economic approach which one might call ahead in the sand approach where they hide from the changes that are taking place in the world.

Now, the approach he advocates, which was the approach taken by the government of which he was a minister, was to drive the deficit as far as possible, drive it right up the line and leave the country burdened with a national debt that we are still trying to cope with.

Now we face a situation where the entire world is in recession. It is interesting to note that in 1988 world economic growth was 4.3 per cent. This year it is down to 1 per cent. Yet, what has been the impact of the approach this government has taken? We are looking at a little bit better growth. The most recent growth in the last quarter was 1.4 per cent. We have the lowest inflation rate of all the G-7 countries. Not bad. I would say he ought to be up commending the minister for that.

Productivity is up 2.6 per cent. That is not bad. Look at trade. They hide from trade policy. What has happened since we brought in the FTA that they so love to disparage?

The Acting Speaker (Mr. Paproski): Order, please. If the hon. member does not put his question he is not going to get an answer. There is only one minute left.

Mr. McCreath: Very well, Mr. Speaker. The reality is that my friends opposite try to blame the recession on this government and ignore what is going on in the world. Maybe if I were over there I would too, but I think I have more integrity than that.

One of the things going on in the world is changing trade patterns and globalization. I would like to ask my hon. friend what his solution is for dealing with the new reality, the new globalism that forces countries not to go and hide in the sand, but to get out there and compete? How do we compete if we do not allow businesses to grow so that they can do it?

Mr. Allmand: Mr. Speaker, to begin with, of course there is a great difference in philosophy between that side and this side. There is no doubt about that. The minister asked about it this afternoon and there certainly is a difference.

With respect to the recession, yes, I said in my remarks that there is a world recession. But this Tory government did things which deepened the recession and it did them at the wrong time.

• (1800)

I can recall very well when the government brought in the GST. Even those who supported the GST in principle said that it was absolutely the wrong time to bring it in. It would deepen, broaden and stimulate the recession that was on the horizon, but it ignored that advice. I could refer to report after report after report, all of which said not to bring in the GST, not to add to the burden of ordinary consumers and taxpayers at a time when we were going into a recession.

The hon. member boasts about the inflation rate. There is bound to be a low rate of inflation when over 1.5 million Canadians are unemployed and another overwhelming number are on welfare. They do not have any money to buy.

The Acting Speaker (Mr. Paproski): The hon. member's time has expired. I am going to be very difficult here on time because there are a large number of speakers. The next speaker has 10 minutes, plus five minutes questions and comments. If hon. members hope to get any more than one question they should shorten up their comments and put the question.

Mr. Maurice Foster (Algoma): Mr. Speaker, I am glad to have a chance to speak in this debate on the supplementary borrowing bill that is for some $8 billion. It is interesting that $8 billion is just about exactly the

amount by which the Minister of Finance underestimated his deficit.

Having the Minister of Industry, Science and Technology speak tonight was very appropriate because he really is the architect of the recession we have in Canada today. It is the worst recession since the 1930s and is incredibly much worse than what we suffered in 1981–82. It is a made-in-Canada recession. It is a recession that has been going on now for over 30 months. It is an historic low as far as misery and difficulty for Canadians is concerned.

It was very important to have him here tonight because he went through the same gobbledegook he has been giving us for years with all the placebos the government has been using to talk about the recovery and so on. He described the recovery as being slow. In fact, the recovery is glacial. It really is not occurring at all. Our hope is maybe 1 per cent growth this year. With the growth in the number of people being unemployed it amounts to exactly nothing.

He talks about sound fiscal and monetary policy. Any Minister of Finance who would bring in a free trade deal, then impose the GST, and then hold Canadian interest rates at 4 per cent to 5 per cent above those in the United States and expect Canadian businesses and Canadian manufacturing to be able to cope with that really is living in an Alice in Wonderland world. It is little wonder we have had hundreds and hundreds of thousands of jobs lost during this recessionary period.

It was interesting when the former Minister of Finance spoke about sound fiscal and monetary policy. When this government came to power in the fall of 1984 Canada was launched on the greatest period of expansion in our history with six years of unprecedented growth.

The government loves to talk about deficits and how it has reduced the deficit. In fact, it has brought in 33 new tax measures during the period of 1984 to 1990. That includes the GST which cost almost $2 billion just to implement. Talk about spending money. This government certainly knows how to do it.

In any event, the minister talked about a sound fiscal and monetary policy. Yet during that period 1984 to 1990 the deficit doubled. Of course since 1990 it has been totally downhill. This is the worst recession since the 1930s. Look at the measures the government has put before the House today. Obviously if these measures were of any consequence they should have been brought in at least 18 months ago. It is talking about spending $500 million for a capital works program. It estimates it will create some 5,000 jobs over a two-year period.

In one community in my riding, Elliot Lake, we have lost 3,400 heavy industrial mining jobs. We have lost at least another 1,600, perhaps 2,000. This infrastructure program that the government puts before us will create the equivalent of the number of jobs that have been lost in one relatively small city of 13,000, Elliot Lake in my riding, over the next two years.

Can we imagine? The government suggests that program is going to have any economic impact at all on the country is just about zip, just about equivalent to nothing. Granted there are some projects over the course of the five years of the program but clearly the next two years are the most important because we have to get out of this recession.

I do not think anybody will dispute that northern Ontario has had the brunt of this recession. Whether we are talking about the export tax the government imposed on softwood which has lost thousands of jobs, whether we look at the mining industry where we have lost at least 25 per cent of all the mining jobs in northeastern Ontario during the last three or four years or whether we look at the steel industry in Sault Ste. Marie which has gone from about 12,000 jobs 10 years ago to around 5,000 today, northern Ontario has clearly been hit more drastically than any other place.

As we look through this infrastructure program, we see that the only projects in Ontario are two projects at terminal one and terminal two at Pearson International Airport in Toronto. Clearly Ontario is left out of the whole project. It is not even clear from the data that the Minister of Finance made available today whether any of that money is even government money. It talks about paving the runway. It talks about reconstructing terminal one and terminal two but they are doing it in the private sector. It looks like Ontario, and clearly northern Ontario, gets absolutely nothing out of this infrastructure program.

My leader put forward a billion dollar program for municipal infrastructure, for sewer and water and municipal projects which would be shared three ways. The billion dollars that the federal government would put in would be matched by the provincial and municipal

governments. There would be projects in every community.

The most important, active and busiest of buildings perhaps in Canada, Pearson International Airport, is where the money is going for this program.

In 1981 and 1982 we had a massive infrastructure program, a lot of airports, marinas, pipelines and projects throughout the country which really jolted the Canadian economy back into the prosperity which we enjoyed from 1984 to 1990. This program is simply too little and certainly too late by at least a year and a half. It should have been brought in a long time ago.

There are a couple of programs for small business which will be useful such as the 10 per cent investment tax credit. Most of the other projects and programs are extensions of existing programs such as the Small Businesses Loans Act and the small business financing program about which the minister of small business has already said the banks are sitting on their assets and are not really doing that much for Canadians.

• (1810)

This program that has been put forward today will have very little impact on the economy. At the same time, those thousands of people who are living on unemployment insurance are facing a drastic cutback of 3 per cent in their benefits. Others will lose out on their benefits.

It is certainly not a statement that is going to pick up the Canadian economy, put many people back to work, and get us out of this recession that we have been suffering from for the last 30 months.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I listened very carefully to the hon. member's comments and I think he made an unfortunate error. Perhaps it was an oversight, but he did say that our government doubled the deficit since we have been in office. If he thought about that again he would probably want to correct that. That is not correct.

Second, I take it from his comments, and I think I heard him correctly, that he likes the statement but it should have been brought forward earlier. I appreciate his support in that regard. I suppose it is better late than never.

Mr. Foster: Mr. Speaker, the statement is so anaemic that the impact in most areas of this country—clearly the infrastructure program will have no effect. There will certainly be no joy in my riding. There will not be one road rebuilt, not be one new sewer line constructed, no town hall built and no people will be put to work there. There is no provision in the program for new direct employment programs such as the massive programs that were provided in the winter of 1982 when we faced the last recession.

Clearly the program is so anaemic that it will have practically no impact, especially in my constituency. We have people who are facing unemployment. We had 1,000 workers laid off last spring. The budget for the employment and immigration department in Elliot Lake in my constituency was cut from $2.5 million last year to some $600,000 this year. The department finally said that it would provide some training for some 75 workers and then it cancelled it and said that the local community had to come up with a quarter of the money, some $200,000, or there would not be any training money.

For the future there are no additional funds. The minister is simply not providing funds that I see will reduce the unemployment in my constituency by any amount this year. When the government was talking about a massive infrastructure program it talked originally of $2 billion and said that this would dip down into every community. In Ontario it is dipping down to provide something, we think, at the Pearson International Airport. For people living in the Algoma riding fixing Pearson International Airport does not have much impact on the unemployed on Manitoulin Island or in the north shore communities.

The recession has been unnecessarily long and deep because the government has had a tight fiscal policy. It has increased taxes with 33 different new taxes, including the GST, during the last eight years. It has kept interest rates so high that we have for the first time a made-in-Canada recession. All economists say that we have borne down so hard on the taxes in this country and the interest rates are so high that although inflation has been lower economic growth is just about zero.

At the same time the Minister of Finance brings in a budget only nine or ten months later and he has miscalculated by 25 per cent. He talked about $28 billion last February and today he is talking about $34 billion. It is little wonder that the deficit of $179 billion in 1984 has skyrocketed to over $400 billion today. The minister is right that the deficit has not just doubled, it has more than doubled during that eight-year period.

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, it gives me a sense of pride and privilege to have the opportunity to participate in this debate.

I think the Deputy Prime Minister and Minister of Finance has come into this House today with a great deal of courage and a great sense of responsibility, as is true to his character and his record. He addressed a situation that is extremely difficult. He had to tell this House that the finances of this country have deteriorated from an estimated deficit of $27.5 billion in February of this year to an estimate of close to $35 billion in the coming year and down only slightly in the following year. I wondered how he would do that because it is an extremely difficult task.

The realities are that his estimates in February for 1992-93 and 1993-94 were based on the best information available at the time, based on a world economy we estimated had recovered from the trough of the recession. However, it has continued to lag and linger to the point that economic growth in this fiscal year will be 1 per cent. As one hon. member said earlier, that basically amounts to moving sideways.

Therefore, the budget deficit of $27.5 billion which had been forecast for 1992-93 is going to come in at $34.4 billion. It has resulted almost entirely from a shortage of anticipated revenue. As a matter of fact, the change in that budget position as a result of policy actions announced in February and today is actually a reduction of $700 million, obviously not nearly sufficient to offset the revenue reduction of $8 billion and the other public charges that accrue from that. The same is true for 1993-94 when the estimated deficit is now going to be close to $10 billion more than it was estimated to be in February of this year.

An hon. member: Fire your financial analyst.

Mr. Bird: It is not as the hon. member says so glibly: "Fire your financial analyst". It is a case of dealing with a world in which the financial climate has become very stormy and unpredictable and very difficult to deal with.

I would like to use an analogy. I have had some experience in flying aeroplanes. Sometimes there are storms you just cannot predict and it is important to practice the fundamentals. It is important to keep your eyes on the instruments and keep your destination in mind and fly on the fundamentals. The finance minister and this government have flown well on the fundamentals. One great one has been the rate of inflation. The rate of inflation has been brought to 1.5 per cent, the lowest among all industrialized G-7 countries. That is a fundamental that will stand us in great stead as we commence to emerge from this recession. Another fundamental has been the control of government expenditures. This has been a direction which Canadians have prevailed upon us to take for many years now. This is a demand which the government has addressed and to which it has responded.

• (1820)

In the midst of these dramatically large deficits and constantly growing debt it is hard to keep a perspective on the fundamentals. The facts are that this government and this finance minister and his predecessor for the past eight years have kept the rate of growth in government spending at an average of perhaps only 3.9 per cent. I quote from an article in the *Fraser Forum* of November 1992 in which the author, Ken Gregory, points out that for the 15 years prior to 1984 governments were spending at a rate of growth on programs of close to 14 per cent. That figure has now been reduced to less than 4 per cent in the past eight years.

The result has been another tremendously important move in the fundamentals. The program operating account of the Government of Canada has been turned from a deficit of close to $16 billion in 1983-84 to a surplus of $10 billion in 1991-92. That is a turnaround of $26 billion in the program operating account.

It means that in the area of discretionary spending the government has exercised management of the fundamentals. Unfortunately the areas of debt, debt service costs and economic contribution of our revenues, the areas that are beyond our control, have come to us in unpredictable turbulence as a result of this stormy and

difficult economic world climate. We can only deal with them as responsibly and as well as we can.

As I say, to use the flying analogy, we must keep our eyes glued to the instruments. We must stay the course. We must not ever forget the destination which is ultimately and hopefully in this decade a balanced budget and the beginning of the repayment of our national debt.

Canada's economic progress has been slowed by a stubborn world-wide recession. The pressures of the new global economic insecurity marked by restructuring and job dislocation have made recovery and growth painfully slow. The government's priority is to continue to build confidence, to enhance the beginnings and finally the fulfilment of recovery, and to create jobs. Its priority challenge is to help Canadians adjust to economic change and to take advantage of the opportunity which it brings.

That is why the wide-ranging initiatives announced by the finance minister today are designed to bolster public and private investment in economic growth while also reducing the cost of government. These actions build on the policies I have described which are already increasing Canadian productivity and competitiveness and are producing fundamental stability in the areas that are so important.

I would like to highlight some key actions as outlined by the finance minister this afternoon. He talked about support for small business. Canada's federal tax system for small business is one of the most favourable in the world. The small business sector is under serious financial and competitive pressure. To help spur growth in jobs the government is launching a special small business employment and investment package.

There was a publication in Atlantic Canada by ACOA last week that talked about the importance of small business. While it pointed out that most employment still resides with large companies 90 per cent of new jobs come from small business. If we are to achieve growth and if we are to solve our unemployment problems small business is the area of our economic sector that we simply must address. Under this package announced today most small businesses will be able to add new workers without paying additional unemployment insurance employer premiums in 1993. This will reduce the cost of hiring additional workers by up to $1,600 per worker. Other actions in the small business area include a 10 per cent small business investment tax credit for machinery and eligible equipment purchases.

The rules on investment in small businesses by RRSPs and other funds will be simplified and investment options will be expanded. Programs that provide financial assistance are being expanded or extended.

Second, this afternoon the finance minister has addressed the challenge and the compelling imperative of research and development. Research and development is key to developing the new products and processes that deliver competitive success and growth in a global marketplace. Canada, as a trading nation, must be competitive in that world marketplace.

We offer the most generous tax incentives for business research and development of any major industrialized country and we have now introduced modifications to streamline and improve the system, which were promised in the budget of February 1992. These changes will provide additional support of $230 million over the next five years.

There are still areas where the tax rules could be improved to help business adapt and grow in an era of knowledged-based work and technological change. An example is the tax treatment of equipment such as computers that become obsolete so quickly as new technology emerges.

The government is examining further modifications to the tax system to solve these problems. It has set aside $400 million over the next five years to remove tax-based impediments to innovation and growth. We will also increase funding for the Industrial Research Assistance Program and will extend further the funding for long-term research, which builds on the best of the results achieved under the network of the centres of excellence program.

Another key area addressed by the Minister of Finance this afternoon is that of training and adjustment. It is increasingly necessary in a knowledged-based economy that Canada's economic prospects be bolstered by the skills of our people. The federal government is helping to meet this challenge with its support for worker training and adjustment being increased to $3.8 billion next year. As part of this, funds for developmental

training under the UI program will go to $2.2 billion from $1.9 billion last year and just $500 million in 1990.

The government will also help workers and employers make learning and skills upgrading a constant priority. Priority will be placed on developing occupational standards so the training will be relevant to real needs. The government will provide $250 million over five years to help lever a national training effort driven by labour and business. It will develop tax incentives to help defray the costs of training workers to meet these occupational standards.

Another area addressed this afternoon by the finance minister is in the construction and resources sectors. This extends the successful home buyers plan introduced in the February budget where people can use their RRSP savings to help finance a home. This is being extended by another year to end on March 1, 1994.

We have also increased the tax write-off for junior oil and gas companies from 30 per cent to 100 per cent on the first $2 million of Canadian development expenses that are flowed through to investors. The Income Tax Act will be amended to provide more flexibility for oil and gas companies and mining companies to utilize non-capital losses.

One of the most exciting areas announced this afternoon is the new investment in Canada's infrastructure. Certainly for me, and other members of Parliament on both sides of the House from Atlantic Canada, the announcement of direct contributions at the rate of $200 million per year over the next five years to help with Atlantic projects is tremendously encouraging. This will go toward the Atlantic expressway and the completion of engineering and the commencement of construction of the Prince Edward Island fixed link that begins in the spring of next year

The nation's infrastructure, which includes national assets such as our highway system, communications and transportation of all types, can provide an important competitive advantage in the new global economy. Based on savings in other activities the government will commit an additional $500 million to pursue specific strategic investment opportunities across the country over the next five years that will total $2 billion and directly generate 4,000 to 5,000 jobs each year. As well, the Minister of Finance has addressed government efficiency. The government has worked hard in the past, as I have described already, to reduce the costs of government and to streamline its operations. As a result, the real cost of government after inflation is now 20 per cent less than it was in 1984–85.

• (1830)

The minister has also talked about easing the tax burden. The February budget announced cuts in personal income taxes applying to all Canadians. It also included measures to ease the tax burden on the important manufacturing and processing sectors of our economy.

Despite the pressures of the deficit the government will proceed with the second phase of tax cuts planned for 1993. These and other measures, such as the new child tax benefit, will provide some $2 million in economic stimulus next year. The government will also hold 1993 unemployment insurance premium rates for both employees and employers to 1992 levels.

We will continue with action to control the deficit. The deficit is a remarkable and devastating challenge. The key to deficit reduction is spending control. I have already outlined how, over the past eight years, this government has a record of spending control on programs that is three times, perhaps four times, as effective as the predecessor governments of the previous 15 years.

In this statement today the spending control measures announced will save nearly $8 billion over the balance of this fiscal year and the following two years. Here are some of the measures: For two years salaries will be frozen for public servants and Crown corporations will have proportional reductions made in their operating budgets. Salaries will be frozen for two years for the Governor General, the Prime Minister and all members of Parliament. Operating budgets of government departments will be cut by 3 per cent in 1993–94 and combined with the wage freeze federal operating budgets will be 5 per cent lower than planned levels over the next two fiscal years.

Following on the heels of the record of the past eight years that is a remarkable commitment indeed.

I would like to finish by saying that while these are discouraging times Canada really is not a country to be easily discouraged about.

Over the weekend I had the opportunity to take a look at a new book by Peter Newman entitled *Canada 1892, Portrait of a Promised Land*. In the concluding pages he draws parallels between 1892 and 1992, 100 years later, and they are surprisingly similar. One hundred years ago Canadians felt that the 20th century would belong to them and as we look into the 21st century, despite the difficult challenges we face, I have no doubt that everyone in this House has an even stronger conviction that Canada's time has come.

In 1892, as in 1992, those did not seem like impossible dreams. Yet the country was still very young, as we are now, still very large, still very diverse in both geographic and cultural terms, still an extremely difficult country to govern and still, particularly in current economic times, an extremely difficult country to stimulate economically and to manage financially.

Sir Wilfrid Laurier asked 100 years ago: "How long will the fabric last or will the fabric hold at all?" Yet, as Newman says, in surprising ways Canada has hardly changed in the last 100 years. Most of the concerns animating Canadians in 1892 are still with us and our hope must lie in the fact that however threatening these problems might have been they did not daunt us. We are still here to argue and implement the solutions.

He is right. That is what the finance minister has done with courage and responsibility and foresight this afternoon. He has addressed those problems. They did not daunt our forefathers then. They do not daunt us now. We shall meet the challenges we face. We shall solve the problems that beset us. We shall fulfil the promise that the future offers this great land and we shall do it together.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I want to start off by saying that I respect the member for Fredericton—York—Sunbury. I listened to his remarks carefully. I do not want to be perceived as being negative in any way, shape or form. We are trying to be responsible here.

I want to focus on that part of his speech that referred to small business. I think that the Minister of Finance did a good thing when he increased the Small Businesses Loans Act from $200,000 to $250,000. I understand that eligibility for this small business loan may go from fixed assets to possibly working capital. That is a gesture of understanding toward the needs of the million-odd small businesses in this country.

I want to say two things. One, we have taken almost a year to pass the legislation on the Small Businesses Loans Act, which all parties in this House supported. I hope that the amendment from $200,000 to $250,000 does not create further delay.

Having said that, my greater concern is the fact that most of the branch offices of the major financial institutions in this country are not aware of the Small Businesses Loans Act and what it means. I hear from many businesses across the country that when they go to their bank managers they are not aware of this legislation. They are not aware of the program.

I am wondering what the government will do to make sure that the intention of this amendment and the basic loans act that the Minister of Finance presented on the floor of the House today to the people of Canada will actually be implemented for the million-odd small businesses in this country.

Mr. Bird: Mr. Speaker, that is an excellent question. I think the Minister of Finance this afternoon addressed that in very profound style. First of all, he called upon the banks of this country to get with it, heed the challenge of small business and to support it. He said it explicitly and clearly and I doubt that call could be ignored.

He also talked in his concluding statement about the need for partnerships, not just with the federal government and the provincial governments, but partnerships with business, labour, financial institutions and all Canadians.

We are in this together. This deficit circumstance in which we find ourselves is as a result, as I said, of turbulent economic times over which the world is having difficulty controlling.

In response to the question raised by the hon. member, it is clear that if we are to use the measure, the Small Businesses Loans Act that was amplified this afternoon, bankers have to start taking it seriously, but well beyond that, they have to start taking small business seriously. They have to start investing in the potential that exists. They have to start sharing the risk more fully than they may be prone to do.

I am not in this statement knocking the banks. I am just amplifying the call to partnership that must exist among all Canadians. I think the Minister of Finance has made that call very clearly and very well today.

Mr. Mills: Mr. Speaker, I hope that the member's statement will come to reality. I am not saying this to be anything other than concerned. So often I have heard the Minister of State for Small Businesses state that this is a problem. I have heard the Minister of Finance state before that he will address this issue.

I hope for the hundreds of thousands of small businesses that really want to use this piece of legislation that his commitment will be lived up to.

• (1840)

My second question concerns that portion of the budget speech that deals with the unemployment insurance amendment. We read in the minister's speech that the unemployment insurance fund is going to be amended so that if someone is fired for what the employer would define as just cause that particular person is not eligible for unemployment insurance, or if someone quits on his or her own volition he or she does not get access to unemployment insurance.

I personally think that is a pretty extreme amendment. I just do not know where the government is coming from on that particular amendment. The member comes from business. I know he is a successful business person. There may be situations that could crop up where people may be put into a position where they either want to leave because they cannot live with the condition or for what is just cause. For these people not to have access to that unemployment insurance fund is a pretty Draconian amendment. I wonder if he could comment on that.

Mr. Bird: Mr. Speaker, I am surprised to hear the hon. member raise this in the context that he does because I share the respect for the hon. member that he has expressed for myself and which I appreciate.

It almost sounds as though he is using this significant element of the minister's statement today as a political crutch. He is talking about the situation as though the glass were half empty instead of half full.

One of the greatest complaints that I hear throughout my constituency and this country is about abuse of the unemployment insurance program, of people quitting jobs because they do not like them, they do not like to work so hard at them or they want to take a holiday and they want to do it on the basis of the unemployment insurance program.

An hon. member: Right on.

An hon. member: That is true.

Mr. Bird: I know you do not mean that. This afternoon the NDP, and I believe the Liberals as well, talked about patching up the loopholes in the income tax system. There is equally a cry across this country by those who do pay unemployment insurance and support the system to make sure that the system has integrity, that it is used where it is needed and that it does not get misused.

Probably one of the most profound statements the minister made this afternoon was that our wonderful unemployment insurance program, the best in the world, will not be subject to fraud.

An hon. member: No, that is not what we are talking about.

Mr. Bird: That is exactly what he is talking about. As I say, for those who may lean on their crutch and say we are being hard done by, there are ombudsmen and all kinds of ways for fairness to be achieved. There are references to be made.

I must say it was the first thing the entire opposition landed on this afternoon. It did not talk about the growth of the country, it did not talk about the economic circumstance, it did not offer anything positive in the recommendations. It said: "Oh my, someone is liable to lose their unemployment insurance for unfair reasons". That is not what the minister said at all. He said fraud and misuse of the unemployment insurance system will end and I compliment him for that.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, I welcome this opportunity to join the debate. It comes at a very relevant moment, given the last exchange between the member on our side who well understands the need of the unemployed and the poor in this country and the members on the government side who have been sitting there for just too many months and too many years. They have lost track of what they are supposed to be doing here as a government.

I would like to take us back in time just one week.

One week ago in this House we were raising questions on poverty. The National Council on Welfare brought to our attention the extent to which poverty has grown in this country. It noted that in some job areas, such as the service industry, 60 per cent of the people employed are living below the poverty line. It noted that in Manitoba 173,000 people now live in poverty.

These statistics were from before the recession began. It is now estimated that over 200,000 people in Manitoba are living in poverty.

Just take that report of last week, from a government agency, and then look at this budget. It is a budget. It is a pre-election budget. Does this government spend one minute addressing the issue of the poor and the questions raised only a week ago? No. Instead it built a budget around the prejudices of the people who think that there is such a thing as an undeserving poor.

One of the great arguments the opposition has against the child benefit package, and what annoyed us to no end, is that the government built on the assumption that those who are on social assistance, those who are under CAP, are somehow or other not as deserving of support as those who are working.

No one denies that people who work deserve every break. However, to make the other assumption in the depths of a recession, which in some parts of this country is a depression, that there are people who cannot find work and that they should be treated differently than those who can find work is a perversion of our history of being progressive in social policy.

This government and this minister have to be challenged on this statement today of continuing that distinction. This time it has seeped into the UI program. For the first time the government is saying that those who have quit, have severed from a job, are somehow or other to be treated differently even though they paid into the fund for years and even though we do not know why they separated from a company. Members of this House know that there are 101 reasons why people leave a company. These reasons are never stated. The act right now provides for that to happen in a polite fashion.

Now we are opening up a whole series of problems which have no need to be addressed. This government is making a distinction again between the so-called deserving poor and the undeserving poor. It needs to be challenged on this right here, today, and for the next few weeks over this legislation.

This is perhaps one of the most cynical documents that has been presented by a very cynical government. This was its opportunity, again heading in to a very tough winter, of saying to Canadians: We have finally gotten the message about what sort of situation we are in.

There has been all sorts of chatter in the public and it is no secret that there has been discussion of an infrastructure program. People representing municipalities in this country have come forward with ideas, not wild-eyed schemes, that can be implemented in the short term where the regulatory processes are set up so that they can get people to work over the winter. This government looked at them, turned around and walked away.

Take the example of western Canada. We all know that municipalities in western Canada have asked for a number of different ways to rebuild their infrastructure. We also know that across the country there has been a discussion about a roads program. What does this government say? It said it will provide funding for construction in New Brunswick and Nova Scotia for the Atlantic freeway. In western Canada there has been an enhancement of roads in national parks.

What is really meant when we read through all the documents, is that the Alberta members want to make sure that, to fight off the Reform Party, their roads in the national parks are rebuilt. Manitoba is not even mentioned. The commercial highways across western Canada are not mentioned.

Nothing is being done to rebuild the infrastructure. For example, in Winnipeg, where the core initiative has consistently been presented as a continuation of a first class infrastructure program, the government has ignored it and has pretended it did not exist.

Instead of having an attack on the basic questions of this country, the questions of poverty and of finding work, this government has ducked behind the language of its right wing ghost and wants to resurrect in the public's mind that it is concerned about the deficit. It has single-handedly created more debt in this country than

we as a government were able to do in over 100 years. It managed to do that in eight years and then turn around after bankrupting the country and say: "We cannot help the poor; we are bankrupt". The guilt of the world is not upon us; it is upon the government. It deserves to pay the price for the hardship, the agony and the disruption of people's lives by continually undermining the confidence of this country.

• (1850)

This document does not rebuild confidence. It digs us into a deeper hole. As Canadians we have to give this government a message. Obviously what we see today is a government spending hundreds of millions of dollars to buy time. The government is going to start it in motion by punishing public servants as soon as possible by maintaining wage caps. It is then going to start with promises of getting involved with an infrastructure. It will probably tell us in the spring that it does not need a budget right away while it buys more time. As it gets more prepared for an election it will try to spring some other programs on us.

The reality is that the government is not going to be successful in an election. Someone else will come in, and instead of having a program that can be built upon we will have to dismantle all the assumptions of this government, dismantle all the destruction, tear apart the way that it has tried to ruin the infrastructure of this country and start rebuilding. It is going to take a long time before Canadians can look at a government and ask: "Are you really going to help us or are you going to continue to stand in the way of our trying to earn an income?"

There are other notes in this document that have not yet been addressed in the debate. The government discusses in a very ominous tone the Canada Student Loans Program and indicates that its revision, its "new financial arrangement", is expected to lower costs. Whenever I hear the government saying that it is to do more for social justice by lowering costs it just makes me shiver. Any time I have heard that before it has meant tougher conditions and that students somehow or another pay the price.

The government uses wonderful language. It is asking financial institutions to share in the burden of student debt. Has anyone ever met a bank manager when he is sharing the burden? They are wonderful sharers of debt. They sometimes open up their doors and talk at great length but in the end they are not negotiations in the language we have here.

If we look at the details in the economic and fiscal statement on page 15, who is it reducing grants to? In international assistance it is going to claim back $300 million. Does it turn to the richest people in the country, the richest people in the world? No, it turns to the poor people of the world. It is not only the poor in Canada who have to pay the price of this government; it is the poor around the world. Also, through Bill C-91 and what the government is trying to do there it is going to take away their inexpensive drugs and is going to add hundreds of millions of dollars to the world health bill.

What kind of strategy is that? We are almost at the anniversary of that famous day when the Prime Minister went out and patted children on the head and said how concerned he was. Is this the anniversary document? Is this another reference point that he wants to use in his legacy to the country?

It is also cutting back and saving money, $125 million, in regional development. What does that mean for western diversification?

The green plan is going to pay a price. I do not even know whether the green plan has actually ever started, but we know now that the government is going to cut it back. We also know that the government is going to take money away from aboriginal groups. On the one hand, we were congratulating aboriginal leaders in the last year for making such fine progress and being such great builders of the country, and then it turns around and says: "Now that you are not looking we are going to take away $28 million".

The contradictions in this document are endless. It was presented to us in a low key way, pretending that the media would not pay attention to the major changes taking place. But we in this opposition caught on right away. This is a destructive document that we will fight. These last four weeks have seen more destructive pieces of legislation presented to the House of Commons than ever before in our history. If it is a government in preparation for an election, it has a very perverse notion of what this nation is all about, and I can only wish it luck in this presentation.

However, there are alternatives. We have consistently said there are ways of approaching the debt and ways of approaching the infrastructure and ways of rebuilding confidence. There are organizations that have long since worked for social justice in this country. For example, just a few minutes ago I heard from the National Anti-Poverty Organization and it can only declare its disappointment and dissatisfaction with the government for not being willing to deal with the questions of how to feed Canadians and house the homeless.

I end on this note. If you cannot once a year stand up and acknowledge that as a country we no longer feed people and we no longer house them then what has this Parliament come to?

[*Translation*]

Mr. Eugène Bellemare (Carleton—Gloucester): Mr. Speaker, the hon. member for Winnipeg North Centre deserves to be commended for his excellent speech, which condemned the government's mini budget. As he pointed out, this budget is a disaster, a perversion and anti-Canadian in every sense of the word. The hon. member, who has always shown a keen interest in social welfare issues, saw today that what we have here is a financial catastrophe for the neediest and poorest members of the community.

Take unemployment insurance, for instance. A few months ago the Liberal Party voted against a bill that was passed by the government. The legislation introduced drastic changes in the benefits the unemployed were receiving from the Unemployment Insurance Commission. The government changed the legislation, so that from now on, unemployment insurance premiums will be paid only by the employer and the employee. This means the government is no longer contributing to unemployment insurance benefits.

Today, the government announced that even if employees were now contributing more, without the government's assistance, the UI benefit rate for new beneficiaries would be reduced from 60 per cent to 57 per cent. And we all know that in Canada the number of unemployed is now 1.5 million, and I am referring to those who are receiving unemployment insurance benefits. We also know that 2.3 million Canadians are on welfare. This means that 3.8 million adults in this country, at least most of them, have no jobs and not enough income to survive, to pay the rent, to pay their groceries, to—

[*English*]

The Acting Speaker (Mr. Paproski): I think the hon. member should put his question, otherwise there will be no time left.

[*Translation*]

Mr. Bellemare: I would like to ask the hon. member for Winnipeg North Centre to expand a little on the welfare aspect because I think this is important, considering the prevailing depression atmosphere as the hon. member said, because this is not just a recession. So could he expand a little on the welfare issue?

Mr. Walker: Mr. Speaker, I wish to thank the hon. member for Carleton—Gloucester for his comments and his question.

[*English*]

The reality is that if one looks at the change in the level that a person on unemployment is able to receive, the reduction from 60 per cent to 57 per cent, is a decrease of 3 per cent on paper, but in reality a 5 per cent decrease. We take the poorest people, give them a 5 per cent pay cut and say: "To what extent does that contribute to the stability of a family? How does that make people feel, after working and getting into unusual circumstances they now get a 5 per cent cut?"

• (1900)

The reason we have unemployment insurance is that we make the assumption in this country that most people want to work. I was very interested in the commentary by the member from New Brunswick who made the insinuation that the rules had to be changed because people were quitting UI. It was a very unusual comment he made. I see my time is up.

Mr. George Proud (Hillsborough): Mr. Speaker, I rise this evening to speak against the Minister of Finance's mini budget. Yes, I am against this government's budget, and that is what it is. It is a budget put together in a panic when the Minister of Finance realized his earlier projections were way off base.

Regrettably, the actions he proposes in this flawed document today will not position our country for the future. I fear it will continue to lead us further down the path to fiscal disaster. This government has been leading us down that road ever since it decided to stay the course.

Canadians will not be fooled any more by this government. Canadians, including those in my region, have learned that this government cannot be trusted to manage its economic affairs. It certainly is not the government to lead us through the rest of the 1990s.

As an Atlantic Canadian I know the impact this government has had in my own province of Prince Edward Island. I know the people of that province reject out of hand this government's whole economic program.

The tax increases have been unprecedented in magnitude since 1984. The increase in the tax burden in Canada was by far the largest among the G–7 countries, yet our deficit continues to rise. This is a government which took great pride in being competent managers, yet the decline in the economy has meant that despite the massive tax increases the deficit is now out of control.

The only way the government can fight the deficit and bring Canada back to its foremost place among the world economies is to finally set about creating those jobs, jobs, jobs that it has long promised.

Encouraging new jobs through small business is unreal. The cap the minister has just announced on UI premiums will not foster these jobs. The ceiling for loans to small firms under the Small Businesses Loans Act will not help small businesses.

Investing in people is a familiar buzz phrase to all Canadians. Canada's economic prospects depend more and more on the skills of its people and the government should pay heed to that. Where is the retraining, the educational development, the research, the development that has long been promised by this government? Why do we not have a long–term plan to help Canadians gain the competitive edge that this government has long been talking about?

In the interim, what about the long awaited infrastructure program that, while creating much needed jobs in the short term, would give Canada its much needed infrastructure improvement in the long term?

What we received from the government today was another half measure, point one–tenth of a per cent in our Canadian economy. Shame. Shame. The government is not even replacing one–half of the jobs cut at CN Rail with this feeble effort.

Today we hear more political platitudes. We hear again how well the government is doing in fighting the deficit. Today we hear again all those tired old phrases which are designed to convince the people of Canada that the Minister of Finance knows what he is doing.

The people in my part of the country know better. The people in Atlantic Canada have not done well under this government. I stated many times that the deficit cannot be fought on the backs of the poorest regions and the poorest people of this country. We deserve the same access to government programs and services as the rest of Canada and it is time for this government to realize that.

I hope the people of Atlantic Canada realize that all of the good things promised to them have evaporated during the depths of this recession. There seems little in the minister's statement which would give us further hope.

I do congratulate the minister on his announcement concerning engineering and environmental work on the Prince Edward Island fixed–link crossing which is to be undertaken so that the project can go ahead in the spring of 1993. However, the government is still not saying it is definitely a go. One of the bidders was asked tonight on television if they were drinking champagne. They said that no they were not. They do not know yet.

However, I am pleased that the federal government has removed some of the uncertainty which has long surrounded this project. We will now have to carefully examine the details announced by the minister in order to determine that all of the environmental and financial conditions have been met. I am also anxious to see if the conditions outlined by Premier Ghiz have been met.

I caution the minister not to think that if this project goes ahead it will cure all of the ills of that part of the country. We will still be looking for strong government support as we attempt to bring our area up to the economic standards of the rest of Canada.

It is obvious that the favourite whipping boys of this government are the Public Service and public programs. Over the years this government has distinguished itself by beating Canadians over the head with more and more radical spending cuts.

Let me give some of those cuts. The green plan is cut by $172 million, regional and industrial programs are cut by $346 million, native programs are cut by $135 million, and there are cuts in grants and subsidies to most non-profit organizations. There are cuts totalling $1.8 billion.

It seems ironic that this minister is still at war with the government he and his party have led for the last eight years. Ever since this government was elected it has talked about its managerial abilities and the need to reduce the deficit.

Well, the deficit the government inherited has much more than doubled despite dozens of tax increases, including the GST. The deficit projections for the coming year show that its level of management is appalling. Its eight years in power have been marked by an ever decreasing economic performance in this country and its attempts to blame someone else are shameful.

The Minister of Finance and the other members of this government seem to believe that they can somehow convince the Canadian people that prosperity will flow only if they can attack and lay off a few more civil servants and assault the unemployed.

The Minister of Finance has decided that Canadians who lose their jobs will now get reduced unemployment benefits and Canadians who quit their jobs will no longer get unemployment benefits. This is not the answer.

People in all parts of Canada deserve the support that and can only come from a competent, well-trained, dedicated civil service. The people who work for the Government of Canada are second to none. I know that the people of Canada do not find these recurring attacks on our public servants a very suitable way to address the economic problems.

I look upon this financial statement, this mini budget in reality, this budget of my good friend the Minister of Finance with utter and sheer contempt. He comes before this House in a panic because he has been unable to project within $7 billion how much the deficit of this country is going to be.

He, the Prime Minister, and the former Minister of Finance have staked a great deal of their reputations and the reputation of this government on their expertise. The economy of this country is in a shambles. The reputation of the government is in tatters.

I would hope that this government will soon have the courage to face the Canadian people and allow them to pass judgment on this terrible economic record.

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, I would like to ask the member across the way if he understands that with the operating costs of running this government in 1984 when we came into power we inherited $16 billion in the red. That is, we are overpaying by that much. The $16 billion was added onto the debt every year.

Since we have been in power we have reduced that $16 billion. We are down now. We are not in the red; we are in the black. Those are the operating costs of running this government. We are down now to between $6 billion and $8 billion below the line. So we have decreased the cost.

If people running a household are over budget they have to cut their costs. They just do not have that much money to spend, so they cut. It has been done, but every year anything over that which is the interest, compound interest is added to that rising debt which we inherited. It is a devil of a thing to stop its growth. Unfortunately, we have had a bad couple of years of recession, high unemployment and other costs which have added to that. Normally, had it gone on in the way we had anticipated, we would have been able to have stopped the growth of the debt. We are now in a position to do this with this new budget.

• (1910)

I would like to ask the member across the way, because I think this was the first statement today by the Minister of Finance, what would the opposition do in order to help this situation?

Mr. Proud: Mr. Speaker, I thank my hon. colleague for expressing her concerns and asking me my opinion.

The Conservatives inherited a debt, a debt which has continued to increase over the last eight years. We have seen several tax increases that were supposedly going to

reduce this deficit. The debt and the deficit have not been reduced. However, we cannot use this old cliché of reducing the deficit at the cost of the poorer people of this country. I believe and I know this is what has gone on and on and on.

There have been tax increases. There has been the GST. Yet the debt and the deficit continue to rise. Yes, we have to get it under control. There is the financial deficit out there that we need to get under control. But I have heard people say that there is also a moral deficit out there. We have to bring that under control too.

There are more than 1.5 million people unemployed and there are people on welfare. We have to put the country back to work. We as members of Parliament have to give the people of this country the confidence that the government across the way will start this economy rolling again. The infrastructure program that was announced today is not enough.

I assume the government is waiting for the new President of the United States to start its economy rolling and hopefully this one will tag along behind it.

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I would like to repeat the question that my colleague has asked him and ask specifically what would he do?

I am very surprised to hear an hon. member and a colleague I respect from Prince Edward Island damn a project of $800 million with faint praise such as he speaks of the fixed-link crossing. Frankly, I thought he would have regarded that as almost a miracle in this budget. There is almost nothing to match it in the way of a financial commitment right across the country. I cannot imagine anything that will have a more profound effect on the economy of the Atlantic region than that project and the similar commitment to the Trans-Canada Highway and the Atlantic expressway.

I heard the hon. member list the expenditure cuts in the Public Service. Most of the constituents I serve, and I am sure most of the constituents that he serves, constantly urge that government be reduced in size and that the federal government particularly gain control of its operations. He has criticized that. He has not proposed new revenue measures that would offset expenditure cuts.

I just have to ask the member and his party what they would do if they would not cut expenditures. They are not really very happy with $800 million capital works projects in their own ridings. They do not have any other revenue areas of contribution to offer. What would they do except wring their hands and criticize?

[*Translation*]

Mr. Gaby Larrivée (Joliette): Mr. Speaker, I welcome this opportunity to join in the debate on the economic and financial statement made by the Minister of Finance today, in economic circumstances that are extremely trying for Canadians.

The Liberal member who just spoke told us that we were doing very little and that this was not the way to deal with Canada's economic problems. However, these problems are due to the fact that we are in a world-wide recession and have only limited resources to fight off its effects. I say limited because Canada has gone into debt, especially since the seventies and the early eighties, to a rather irresponsible extent. Today, they tell us we often use this excuse. Unfortunately we do not have more room to manoeuvre because we spent too much. We have been spending irresponsibly for years, and today, with what resources we have, we are trying to turn around a situation that has gotten out of hand. We have a very high unemployment rate and, I repeat, very little room to manoeuvre.

In his statement, however, the Minister of Finance has offered a way to help Canadians and to restore their confidence in our economy by investing in growth. Of course, our economic progress has been slowed by a stubborn, world-wide recession. Tensions typical of a new world economy weakened by economic restructuring and job displacement have considerably weakened recovery and growth.

The government's priority is to build confidence, enhance recovery, create jobs and help Canadians adjust through this period of transition and take advantage of new opportunities. That is why we have announced a broad range of measures to stimulate public and private investment and economic growth, while cutting back on the cost of government activities. If we want to invest in economic recovery for the sake of growth we cannot afford to raise taxes because we are already overtaxed, and we cannot afford to increase the deficit because it is already far too high. These measures are supported by

policies that are already helping to enhance productivity and Canada's ability to compete.

I would also like to emphasize some of the main initiatives described in the minister's economic and financial statement. First of all, support for small business, which is the primary engine of our economy. Canada's federal tax system for small business is one of the most favourable in the world. Compared to the United States, our tax rates are lower. Canadian small businesses enjoy a special deduction that reduces their federal income tax rate to 12.8 per cent, including the 3 per cent surtax, on the first $200,000 of business income. In the United States, federal tax rates for small business range from 15 to 39 per cent in the same bracket.

Canadian small businesses which are incorporated also qualify for the most generous incentives for research and development in the G-7 countries. In particular, let us mention a 35 per cent refundable federal income tax credit, replacing a general 20 per cent credit, that enables small businesses to receive funds directly.

• (1920)

The cumulative capital gains exemption encourages individuals to invest in small businesses. Capital gains of up to $500,000 made when shares in eligible small businesses are sold are exempt. Moreover, only 75 per cent of capital gains above this amount are subject to income tax.

So these are some examples of benefits for our small businesses in Canada. Nevertheless, small business is subject to major financial and competitive pressures. To help promote growth and employment the government is launching a program to stimulate employment and investment in small business. Under this program most companies can hire new workers without paying more employer premiums for unemployment insurance in 1993.

I think that is a considerable help, knowing the needs of small businesses and how little they can afford to hire personnel. This measure will reduce the cost of hiring additional employees by up to $1,600 each.

The other measures include a 10 per cent investment tax credit for small businesses that buy machinery and equipment. We are aware of companies' needs to renew and update their equipment as a result of new technology; the tax measures will give them 10 per cent more purchasing power.

The rules for investments in RRSPs and other funds in small businesses will be simplified and the opportunities for financing expanded. Finally, the financial assistance programs for small business will be enhanced or extended.

We know how important it is to go further in research and development because our small businesses need to discover and develop new products in order to be more competitive. R and D is essential, so the government will help them compete and grow on the world market. Canada is the industrialized country that offers business the most generous R and D tax incentives. We have proposed changes to rationalize and improve the system.

As promised in the February 1992 budget these changes will result in $230 million more aid over the next five years. Nevertheless, the tax rules could be improved in some areas to help companies adapt and grow in this era dominated by knowledge and technological change. For example, the tax system as it applies to computer equipment, in particular, is rapidly becoming obsolete because of technical change.

The government is considering other changes that could be made to the tax system to solve these problems. It has set aside $400 million over five years to eliminate tax obstacles to innovation and growth. We will increase funding for IRAP, the Industrial Research Assistance Program. We will also extend funding for long-term research, based on the best results from the centres of excellence network program.

Of course, there is also labour force training and adjustment. In an increasingly knowledge-based economy Canada's economic prospects depend more and more on the skills of its work force. The federal government is helping to meet this challenge. Its assistance for worker training and adjustment will increase to $3.8 billion next year. As part of this effort, unemployment insurance funds for training and other productive purposes will rise to $2.2 billion. This will help meet the special needs of long-time workers who lose their jobs.

Many other measures have been proposed in the economic statement made by our Minister of Finance but I think that the measures I just listed concerning research and development, training, and small-business assistance will enable our companies to make a greater commitment in those areas, and help reduce unemployment in our country, for the benefit of all Canadians.

[*English*]

Mrs. Edna Anderson (Simcoe Centre): Madam Speaker, to my colleague, the member for Joliette, I understand that the minister mentioned some changes today in unemployment insurance. I wonder if this is going to pose any particular problem in the member's area? I believe the minister had said this was in order to reduce fraud in that particular branch. Could the member please answer that for me?

[*Translation*]

Mr. Larrivée: Madam Speaker, my colleague wonders about the impact of these measures on unemployment insurance, since the Minister of Finance indicated, if I understood correctly, that in the future those who quit their job or who lose it almost voluntarily will not be eligible for unemployment insurance benefits.

In the last few years unemployment insurance has almost become a minimum income for some people. I believe it is absolutely normal in the present context that we make UI what it was meant to be: a plan to help workers who for one reason or another lose their job unexpectedly. The purpose of unemployment insurance, like any other insurance, is to provide reasonable conditions for these people and give them time to find another job.

Therefore, it is quite normal, as I think Canadians will agree, that unemployment insurance revert to its original role, which is to help those who lose their job unexpectedly and not to help those who leave their job or who lose it deliberately.

[*English*]

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, there seems to be a misunderstanding developing here. No one in this House condones abuse. We on this side of the House certainly do not condone the abuse of any part of the taxpayer's money.

Our responsibility is not to speak for the advantaged. We are here to speak for the disadvantaged. In a situation such as this, where this act is amended in this way, there is going to be a potential for serious abuse of the person, but not the actual institution. It is our responsibility to point that out. It seems that when we try to be constructive and point out some of the good things in this budget they seem to have a thin skin over there. Is it not our job to point out flaws or mistakes that may be part of this package?

I have to repeat that we are not here to speak for the advantaged people in our country. There are a lot of disadvantaged people and we have to make sure we represent their views.

[*Translation*]

Mr. Larrivée: It is a pleasure, Madam Speaker, to make the following comment. My colleague says that we should help the disadvantaged and this is precisely what we are doing. These measures are taken precisely to help people get back to work.

As I said at the beginning of my speech, in the past large amounts of money were spent to keep people unemployed. We just kept improving our Unemployment Insurance Program without dealing with the training issue, putting us into debt irresponsibly. Now, some would want us to continue in this way. That is not the way to go. We are acting in the most responsible way, to allow those who want to work to do so. We will take money away from those who do not want to work, those who quit their jobs—when they have a job and decide to quit it is reasonable to assume that they do not want to work—and we will use this money to train those who do want to work. The small businesses will benefit from the actions we are taking. This money will create jobs. We are not abandoning Canadians. Quite the contrary, we are helping the most disadvantaged members of our society.

• (1930)

[*English*]

Mr. Patrick Boyer (Parliamentary Secretary to Minister of National Defence): Madam Speaker, the Minister of Finance today did not have an easy task to perform. No Minister of Finance in any jurisdiction these days does. The task was to try to crash through that invisible wall that confronts all governments, a wall that is made

up of the fiscal realities that have imposed themselves on us, the burden of debt that has been accumulated over a number of years, the programs that exist and are committed to have expenditure under them, and the public expectation that all of this can somehow continue even in the face of the need to have spending restraint.

To begin in commenting briefly on a number of the points in his statement this afternoon that caught my eye in particular, I would like to emphasize the important reality that there are no new taxes. That is a fundamental beginning point because this country has had it, Canadians have had it, with being overtaxed. The burden of responsibility has been squarely shouldered today by the Minister of Finance in looking inward to the operations of government to find a way of dealing with the problem and not extending it further on to the taxpayers of the country.

In concert with that, many expenditures have been frozen, from the salary of the Governor General right down through all members of the House, ministers, parliamentarians, judges and the Public Service as well. That principle of freezing has even been continued in the provisions relating to unemployment insurance. The benefits there are frozen as well.

In addition there have been many other areas where spending has been reduced, generally by at least 10 per cent. That would apply to grants or subsidies to organizations and interests groups. They will be cut by 10 per cent in each of the next two years.

That is another point that is very important as we try to ensure in this society that we get a direct link between the people and their elected representatives. Many special interest groups and organizations that have come forward and positioned themselves around the government should find a way of financing themselves rather than look to the government for funding. That is a point of great importance.

Madam Deputy Speaker: I cannot even hear what is being said by the member who has the floor. It must be difficult for other people. I can understand there is an ongoing conversation from one side of the House to the other, but I am told the President of the Treasury Board will be speaking shortly and there will be a period of questions and answers. I am sure the hon. member for Kingston and the Islands will make sure he asks his question then.

Mr. Milliken: Madam Speaker, I had hoped so but I am going to leave. That is the problem.

Madam Deputy Speaker: I wish a nice evening to the hon. member.

Mr. Boyer: Madam Speaker, I was just emphasizing the importance of this reduction of 10 per cent in grants and subsidies this year and the coming year. I wanted to emphasize a further point, that those reductions have important exemptions to them.

I was quite disturbed to hear in almost a cliché fashion some of the criticism from the Liberal Party spokesmen in the House. They talked about these measures being carried out on the backs of the poor, as if the government was trying to squeeze blood from a stone.

It is very important to recognize that exempted from this is the Old Age Security program. That is very important for seniors in our country. Also exempted are the guaranteed income supplement, the spouses' allowance, programs for the disabled, war veterans' allowances and veterans' disability pensions.

The Government of Canada today made the commitment that we will not be reducing any of our efforts in famine relief around the world. I think that is a real tribute to the Minister of Finance, who in the face of the tremendous difficulties he is facing with the finances of our country still shows that compassion. We can seek efficiency in public funding and public financing but not lose the compassion for the people in our society who do need assistance, who do need some help and support. We have not seen a single cent of that reduced today and I want to pay a special compliment to the Minister of Finance for that.

Just three or four other quick points that are very important. The measures dealing with housing and the stimulus that we have already seen from the last budget relating to both the RRSP possibility for first home buyers and the reduction from 10 per cent to 5 per cent for the down payment have been working successfully. It is important that today that has been continued in terms of the RRSP for home buyers.

Small business, which has been responsible for creating over two million jobs in the Canadian economy within the last decade, also finds new possibilities for higher levels of loans and working capital in today's financial policies announced by the Minister of Finance. This is going to be very important, particularly in areas like my constituency of Etobicoke—Lakeshore where there are a lot of small businesses in manufacturing and service which need that kind of financial assistance now that they are working their way out of the recession.

Another very specific measure that will apply also in our area is the grade separation program with relation to railways. That is something for which we have been looking for a long time and will have direct safety and employment benefit in our community, as will the efforts to upgrade the two terminals at Pearson International Airport.

I single that one out again to make tribute here to the Minister of Finance. What has to be appreciated is the change in the approach to government funding. This upgrading will be done using private financing. In short, we have come to the day where government does not have to row the boat and do everything, as long as government is steering the boat. We can now look for a more intelligent way of using limited dollars to accomplish public work in this country, such as this.

Finally, the point that I wanted to conclude with is on quite a different dimension. It concerns the electronic highway and the measures that were announced today for further funding for this new age. We are now in, the future that is already with us that relates to the information centres being established because of the fact that, computers, faxes, electronic transmission of data, satellites and all the rest of it together make up this electronic highway through which information is transmitted and received and analysed in our new world society. This is something tremendously exciting for a country like Canada, a country that has so much distance that separates us. This will be a great new unifying bond for the country. Again, I am happy to be supporting this measure because that is the way of the future. It is also a way to a far more effective and unified country through the new methods that we are living with currently.

In all these areas, right down to the provisions that have in so much detail been described by other members, this reordering this afternoon by the Minister of Finance of the nation's financial house, putting it in order in these very difficult circumstances, is something that warrants support. I am glad to rise and give my support to it.

• (1940)

[*Translation*]

Mr. Phillip Edmonston (Chambly): Madam Speaker, I was listening to my colleague talk about the electronic highway.

[*English*]

I have a real problem trying to understand how we can have an electronic highway when our government does not seem to have enough money to pay its electric bill. We are practically bankrupt. We are talking about the future. At the same time we are bringing forth a kind of mini budget that targets the most vulnerable people in our society, the unemployed. We are actually right now dealing with the unemployed in a way which is most cruel. Before they had certain benefits under the unemployment insurance scheme, but now they do not have those benefits. They have less.

Also, we have entered into a situation where they will be punished. They will lose the benefits that they have actually paid for if they quit their job or if they are fired or let go for whatever is defined as misconduct.

How can this kind of cruelty to the people who are most vulnerable be defended by a government which says that it is looking forward to the future, a government which says it cares about its citizens? I would especially like to attract my colleagues' attention to the fact that this could be used as a tool against whistle-blowers, people who are not in agreement with their company's policies which may be against the public health or the public good. It could be used as a tool to silence these people and they would never have unemployment insurance.

I am just wondering where is the compassion of this government. While we are talking about an electronic highway why do we not talk about what is real to most Canadians, and that is their unemployment insurance benefits.

[*Translation*]

Mr. Boyer: Madam Speaker, I would like to take a minute to reply to my colleague who was inquiring about unemployment and unemployment insurance.

First of all, let me tell him that in my riding it is a real problem for small businesses when employees quit their jobs for the sake of taking advantage of a government program. Small businesses are hit hard by this kind of abuse of the system. Today, we are trying to address this problem.

[*English*]

He puts this also in connection with what I was saying about the electronic highway, as if to compare these two is somehow to deny the reality that we are already existing in a world where information is being transmitted this way. Whether they are changes to the telephone as we have come to know it, and all the transformation about that, through to the new ability to simply scan books and put that right on to computer or what is now being developed with fibre optics which will go straight from the publishing house to the data base in libraries and so on which will completely bypass the printers, the books, the book sellers and all those things that we know. That is not something of the future. That is something that we are currently living in.

It has been a rare day to see it even raised on the floor of the House of Commons. For the past two days there has been a conference going on here in Ottawa at the Congress Centre. I was the only MP who was there. It was on electronic democracy. It was talking about the whole new world that we are living in. It is fundamentally important to see this $600 million project get under way.

The same point I was making about the upgrading of the Pearson airport applies here. This is being done in a partnership with private business. It is not looking to just take public money to put into this.

Mr. Edmonston: How about whistle-blowers?

Mr. Boyer: The hon. member is commenting about whistle-blowers. I do not know what the context of that is. I do want to say again that I support the changes relating to unemployment insurance. They are overdue. I support the approaches being taken with respect to the new world of our electronics society—past the industrial society into the electronics society—that we are living in so much now because it is very forward looking, and many of the other temporal measures that we find in here will fade away over time.

This provision relating to the new age of communication is so far-reaching and fundamental for Canada, a country that because of our distances has always been at the pioneering edge of developing new methods of communication and transportation. We can be proud of that as Canadians because it is an area in which we have excelled. That is why all members on all sides of the House should be looking at that measure with a lot of support and encouragement.

Mr. Mike Breaugh (Oshawa): Madam Speaker, I am going to share my time with the member for Nickel Belt. We are true socialists, we share everything.

There might have been a time, and there probably was, when governments on one side of the aisle would say: "We will just help our friends in big business and somehow they will, on the supply side, solve all of the economic problems of the nation". On the other side of the aisle somebody else would find the phrase: "We are going to kick start the economy". Maybe at some point in our history things were that simple. I do not really believe they are any more.

I regret some of what I have seen and heard in here today because it seems to me to be far too simplistic. I recognize that someone has gone to a great deal of effort to integrate all the politically correct buzzwords into the statements that were made in this Chamber today. All of the genuflexions at the altar of high technology have certainly been acknowledged.

I understand, having been in politics at just about every level there is now, that somehow if we can get somebody to put it on a piece of paper, and certainly if we can put a little logo at the bottom that says "Canada", then it gives it validity no matter what it is. If we can get somebody to draw a chart and put some numbers together, then it simply must be true.

However, I am still struggling with some fundamentals on this. I come from the old school where if we take a deficit from $27.5 billion and get it up to $34.4 billion, then we have not reduced it, you have increased it. I am sorry, but I have been struggling all afternoon with how that reduction occurred and how dramatically it has impacted on us.

I admit that we are talking about billions of dollars. I do not usually deal in billions of dollars. Most Canadians do not have a real good understanding of how high they would have to pile that amount of money on the kitchen floor to get to a billion. I admit that we are into an area of the economy where the amounts we are talking about are staggering to most people. Still I am waiting for someone to explain to me how that could be portrayed as a reduction. Even if it is printed up in a little book, and if the little book is not good enough then it is printed up in another little booklet, and if that little booklet is not good enough then it is printed as a graph.

I admit it has got it all. The government has managed to get it on paper, it has the stamp of the Government of Canada on it and has a graph to boot.

Here are some premises that are important for Canadians to note, just to see at their kitchen table whether there is any truth in this kind of statement at all. It says here that the government is making government leaner and more efficient. Pause on that one for a while. Have we seen that lately?

I just walked in the front door and the leaner and more efficient limousines are circling out there, and if they are not circling the drivers are leaning against them. Where I come from that does not constitute lean and efficient. Where I come from if people are broke and you are out of a job, they are not real worried about how lean and efficient the chauffeur of their limousine really is, and they really do not care people whether he polishes the limo either, because the truth is they have not got a limo to bother about.

It says here that there is tax reform under way in this country. Tax reform. Hold on a minute. Where? For whom? For the vast majority of Canadians who pay the tax when they went to the corner store last night to buy something did someone say: "Tax reform under way here, there is no GST tonight"? When they put gas in their car this morning did somebody say: "Wait a minute, tax reform under way. Governments aren't going to tax gasoline any more"? When it comes to doing their income tax, does that mean there is somebody in this Chamber who actually understands the income tax form?

• (1950)

What I do not fathom at all about this is that when people do not need money everybody wants to lend them money. When they are wealthy, they can use all the investment incentives, those are the polite words, that this government provides to prevent them from having to pay income tax. But if they are poor, if they are struggling with their pay cheque each week just to meet all the obligations that they have as a family there are not any incentives for them.

I come from a part of Canada that was once considered to be the industrial heartland. We are changing our definitions about that these days. People used to refer to the area that I live in as the Golden Horseshoe. There is a lot of rust in the Golden Horseshoe these days. A lot of plants used to be there. It says in these documents that free trade is wonderful. Not where I come from, not in the plants that have closed in my area, not in the incentives that are present in any part of our economy. Our people are struggling very hard to try to turn that around.

It says in these documents that many people are being asked to take no increase. That is tough for all of us, all those in the cabinet, all those in the Senate, all those judges. I am asked to stand pat on $90,000 a year or a pensioner to stand pat on $25,000 a year, let me explain to who got the best of that deal. Not the pensioner. The fact that nothing was taken away from those who do not have anything in the first place is not exactly a noble act in my book. To try to portray that as something wonderful is not exactly fair where I come from.

I find there is a world here on the Hill that never meets the other world in which I live. I know that tonight the television cameras are out front of the doors of this Chamber and the Minister of Finance is out there giving an interview; Mike Duffy is holding forth on the bench on the stairs; and everything is going along pretty normally here.

Where I come from things are not normal and I had anticipated—wrongly again, I should have learned this by now—when I saw the municipalities struggle to get together and identify some things which could be done and should be done, would be productive in municipalities across Canada, that after that much effort this government would respond. It did not.

I saw a provincial government negotiating over the last six months or so with this government to identify things which could be done and should be done, which would be

productive. I went through this booklet to find out what is happening in Ontario. *Nada*.

I phoned my friend Pink Floyd—of course I cannot get through to Pink Floyd anymore—and got through to one of his staff members I know and asked what was going on. He said they were still negotiating but were not sure they had been shut out completely. They were going to give the federal government the benefit of the doubt and see what happens.

It is certainly a strange economic statement, never mind budget, that attempts to do something about Canada's economy. It looks the heartland of our economic structure in the eyeball and says: "I'll tell you what we are doing for you. We are going to redecorate the airport in Toronto".

The Tories missed something there. They really did, especially when one of the three terminals at the airport may not have much business in the near future.

There is a change in this country that defies the old economic rules of what school people went to and what text book they read about economics. The change is that governments are more complicated now than they ever were. It is hard to imagine that governments once functioned in Canada without consultants. Not cutting back, not leaner and meaner—they did not have them. Government once went about its business in Canada without a big advertising campaign to tell everybody it was doing what it was paid to do in the first place.

Imagine my auto workers if they were given the kind of budget the Minister of Finance had. Here is my friend Derek Gandy making trucks today at GM. Look at Derek make trucks. We always felt that was why General Motors always paid Derek. Go down to the south plant and make the trucks, Derek. It does not need an advertising campaign to do that. Just go do it.

There are some remarkable things that have happened in government in Canada in the last little while, not all of which were helpful.

I read the Auditor General's report. I loved the one about the golden handshake where the gold transpired and sometimes the handshake transpired, but the job continued. It seems to me that governments at all levels really ought to take the Auditor General's report and not study it, just do it, without question.

It has already been studied. That is how it got in the Auditor General's report. The Auditor General even sends me a video. I cannot tell my personal reaction to getting a video cassette from the Auditor General of Canada. There are other video cassettes I would rather get than that one. He sends me the book. I can read the book. I really do not need a video.

Somehow in the process of governing this country we have patterns that I find strange and indefensible, particularly when I go home and sit down with some little old lady or some little old guy who is on a fixed income and try to explain at the kitchen table what life is like in Ottawa. It is like an alien planet plunked down here in the Gatineau. They have no concept of what it is like.

None of them have staff people saying: "Boy, you really did a great job today. What a snappy question. Could I write a speech for you?" They can all speak. They certainly do that to me. Somebody was here the other day prattling on about lobbyists' fees and how individuals would have to pay a fee to come to see the local member. Not where I come from. Nobody would have the stupidity to try that one there. They have a right to stop me in the middle of the Miracle Mart or the A & P Store and tell me their economic theories. They do that right by the kettles every time I am fool enough to go in there. They stop me whenever I go to the Canadian Tire and they tell me about the GST. They do not have charts. They do not have videos. They have empty wallets. Those are the facts as they see them.

What saddens me about this statement is that it was an opportunity for governments, instead of having a conference, instead of having a first ministers' meeting, to pick up that magic machine called the telephone without creating an electronic highway to do so, push some buttons and listen to what other people had to say. Governments should work together instead of working in splendid isolation.

I see a missed opportunity here. I do not care how nicely they dress it up, how many new global economies they bring into play, how many wonderful charts they have or how many videos they have. The opportunity was missed. Where I come from we are suffering and this ignores us completely.

I want to close by saying something that I kind of regret but I think should be said. This is all complicated stuff. Sometimes it comes down to something which is simple, a little vignette. I sat in this Chamber this

afternoon when the minister announced the change to UI that had people losing their UI benefits if they were fired or if they quit without just cause.

I know how tough it is to establish what is meant by just cause, who is right and who is wrong. That is a tough thing to do. I remember thinking at the moment he announced that change: What difference does that make? Is that not a mean little vindictive thing to do to somebody? It is not going to save the national debt. That is for sure. Beside the Minister of Finance was the Prime Minister himself. He led the applause on that.

Madam Deputy Speaker: I must interrupt the hon. member. I know he said he was sharing with his colleague from Nickel Belt. I can tell his colleague from Nickel Belt that even though I did try, he will have eight minutes remaining after the five minutes of questions and comments.

Mr. Stan Keyes (Hamilton West): Madam Speaker, I am almost tempted to ask unanimous consent of the House for the hon. member to carry on for another 10 minutes. It was not just eloquent; it was kitchen table-ish. It sounded like sitting down with somebody at the kitchen table and actually getting the goods straight from the individual sitting across the way.

I will relate a story for the hon. member for Oshawa in the simplest of terms. There is someone in my riding who owns a restaurant and is doing pretty well. He wants to expand that restaurant. He wants to make sure the opportunity is there to double the space in his restaurant. He is pretty darn sure he can get a lot more people to come to that restaurant. He went to the bank and asked for the money to expand his business and the bank said: "Sorry, Charlie".

In the document today the Minister of Finance announced measures to help small businesses secure financing. He doubled the ceiling of small business loans from $100,000 to $200,000 and today he added another $50,000 to raise the ceiling to $250,000 on small business loans. What good is it if they cannot get the money even at $100,000?

Does the hon. member for Oshawa have that kind of an experience in his riding?

Mr. Breaugh: Yes.

• (2000)

[*Translation*]

Mr. Eugène Bellemare (Carleton—Gloucester): Mr. Speaker, I want to congratulate the hon. member for Oshawa on his excellent speech. He mentioned that if a person left his job voluntarily he would not be entitled to unemployment insurance benefits. I think some people leave their jobs for very good reasons. I imagine there usually is a good reason, and they do not leave because all of a sudden they feel lazy or they want to stop working. Some people leave their jobs because of sexual harassment. Take the woman who is harassed by her boss, has no way to defend herself and does not know where to turn. She has no choice but to: leave her job. Perhaps the hon. member for Oshawa would care to comment on the case of a woman who was a victim of sexual harassment, and had to leave her job but would not be entitled to unemployment insurance benefits.

[*English*]

Mr. Breaugh: Mr. Speaker, I would tell her simply that she has become a victim of this government. She ought to get herself into a good union or get a good lawyer really quickly.

Mr. Larry Schneider (Regina—Wascana): Madam Speaker, I sat here and listened with more than just a casual amount of interest to what I refer to as Brooklyn banter. It was fairly basic kitchen talk. It was so basic that the last question I heard in relation to the last answer I heard obviously told me that neither the questioner, with all due respect, nor the answerer had the essence of the bill that the Minister of Finance related to us today.

Quite simply put, if a person does leave their job because they feel that there was sexual harassment, that does not include them in this measure. They are exempted and as a result would continue to receive their unemployment insurance.

Therefore, there is a lot of misinformation that floats around this Chamber. I simply wanted to bring that to the attention of hon. members. There is a list of excuses or reasons that people can use legitimately to leave their place of employment which does not render them victims of society or, for that matter, victims of this bill. It is a logical bill and I would just hope that the hon. member

for Oshawa would apprise himself of that. I just wonder if he has.

Mr. Breaugh: Madam Speaker, I do not mean to try to straighten anybody out on that side but there is no bill before us. What we had was called a statement.

We will take the member's veritable words and the wonderful advice that he just gave. For the person who comes into my office who has been fired and is not a member of a union or another bargaining unit and who has to go through the federal or provincial labour code to try to determine whether the hiring or the firing was justified it will be some comfort for them for the six months it takes to determine whether it was justifiable or not. The hon. member said that I do not understand what is going on here. At the end of the six months he or she will understand, I will understand and I hope the member does.

Mr. John R. Rodriguez (Nickel Belt): Madam Speaker, I am glad my hon. colleague from Oshawa is not the finance minister. The way he just nickled and dimed me out of two minutes I would hate to see what wonders he would have brought on the economy of Canada today.

Prior to the statement today, the press was carrying a statement that the Minister of Finance was going to give the economy a gentle nudge, a *coup de pouce*, a *petit coup de pouce*. I want to say that he looked the economy right in the eye and he did not give it a gentle nudge, he gave it the back of his hand. That is what he did today.

I want to make that point and I want to show how he does that. I looked at page 30 in his paper *Investing in Growth*. Listen to this. The minister asks this question:

> Are Canadians getting less service for their tax dollars?

Here is the answer. Imagine that the Tories put this answer down:

> Some feel that they are now getting less service for their tax dollar than in the past. They are right.

There is such honesty. He then goes on to say:

> But there is no choice.

This is what he says in the statement on page two under the heading of maintaining responsible, balanced policies:

> The essence of governing is choosing. There are choices to be made

That is right. This minister had choices. He could have made choices. He had to make choices. Unfortunately, he chose his friends. He chose to slap in the face the people who can least defend themselves in this economy.

He cut back the unemployment insurance program. Imagine next year taking $550 million out of the pockets of beneficiaries and in the year after that, $1 billion. Everybody was looking to the consumer to rescue this economy. What kind of cockamamie politics and economics is this? One takes money out of the pockets of the people who are supposed to rescue the economy by opening their wallets and spending. The ones who are least able to defend themselves are the victims of the economic policies of this government.

About four years ago we were running at an inflation rate of about 6 per cent. The governor of the Bank of Canada, John Crow, is cruel and hard-hearted. He embarked on a policy of fighting inflation and wrestling it to zero. He did not care who the victims were. The unemployment went up and up and the the inflation, of course, came down. It did not affect his salary or the salaries of his friends over at the bank. It is easy to fight inflation on the backs of workers by slowing the economy down and turning up the unemployment rate.

What did this government cut back? It cut programs that service the victims. We are talking about the rape crisis centres getting cut back 10 per cent in each year for the next two years. We are talking about all of those centres that service people who have some kind of drug dependency or need co-operative housing. There is a whole host of services cut back, which will mean reduced services to people. The minister says they will get less service for the buck it collects from them. He is absolutely correct. Then he also cut back the spending programs.

I know he is saying: "Well, we have to get this deficit under control, so where were we going to get the money? How could we leave them alone?" I have some suggestions for the minister.

It always makes me wonder what is going on. When Standard Trust went down the tubes the government did not have a billion dollars but it sure as hell got the billion dollars and bailed out the depositors of Standard Trust. It put the taxpayers of Canada on the hook for Central Guaranty Trust to the tune of about $4 billion. If any of them went down the tubes at the Toronto Dominion

Bank where is the government going to get the money to bail them out? It has guaranteed them.

It guaranteed the Westray Mine and the Bank of Nova Scotia collected its $80 million today. If CPA goes down tomorrow, where is it going to get the money to bail it out? Yes, it has choices to make and it has made those choices. Stomp on the families of Canada. Stomp on the unemployed. However, it bailed out its friends in the financial sector. It bails them out all the time. Standard Trust cost us a billion bucks.

An hon. member: It did?

Mr. Rodriguez: It certainly did: $1 billion. There is more to come and it is going to find the money for that.

I could have told him where he could get money. For starters, he could look at the Auditor General's report. Why not close the loopholes he pointed out. Look at the setting up of those offshore shelters for wealthy corporations that make money in this country and do not pay their fair share of taxes. Why do we not start with the family trusts that are worth $70 billion? Since the Liberals set up the shelter for them they have not paid one penny of tax. This government is going to bring in a bill that extends it another 20 years, so that they will never pay one penny of tax. Who pays?

• (2010)

Its friends do not pay, but ordinary Canadians pay. The unemployed pay and the poor pay. Look at that. It is nickel and diming $300 million out of people who quit their jobs. There are some jobs that have to be quit. It then reduces the limit. I have no problem with absorbing the premiums for UI for small businesses for a year. That is a good idea. I think it is also equally a good idea to absorb the premiums for the employees for a year.

It seems to me that we must be even-handed. It does not absorb the premiums for 1993 for the employees. It absorbs it for small businesses, which is a good idea. How about giving the workers a break for a year? They create jobs too when they spend the money they earn. Maybe it is not through the heads of the Conservatives yet but they are probably the best investment, instead of pouring money into all kinds of shysters. In fact, when Northland Bank went down it not only bailed out the insured depositors, but it bailed out everybody, for God's sake.

There are other places the government could find money. I have more suggestions for the government. What about the helicopters? There is $4.4 billion. Put the $4.4 billion off and forget that. Look at interest rates. Most of national debt that we have accumulated is a result of the compound interest. Most of that is compound interest. We are running about 4 per cent higher, in real interest rate terms, than our competitors in the United States. We are double the normal difference. Why would we not lower the interest rates? Why did this government allow the interest rates to rise? Why? It is because it has to keep its international *banquiers*, or casino players, happy.

You have to feed the lion. When the lion is hungry you have to keep stuffing American dollars into his mouth. I am sorry but I have to stop.

Madam Deputy Speaker: I thought the hon. member was going to thank me for giving him the extra two minutes. Questions or comments. The hon. member for Joliette.

[*Translation*]

Mr. Gaby Larrivée (Joliette): Madam Speaker, the hon. member for Nickel Belt is very colourful and puts a lot of passion into what he says, and he is even funny. However, I am concerned because we are talking about unemployment and other problems we are experiencing in Canada and he is proposing solutions that would be hard to implement.

He would like to see us beef up our unemployment insurance programs. He would like us to give the unemployed who do not have jobs, for obvious reasons, more generous unemployment insurance benefits. He suggests that the government get the money by taking steps against the industries that are taking advantage of the situation. He never said that industries create jobs. He never said that industries give Canadians a chance to work. No, industries are taking advantage of the situation, and he would like to see us introduce measures to make these industries get up and leave the country and go to places where conditions are more favourable. On the other hand, and this is typical of the New Democrats, they say that we should protect our borders and not have an agreement with our neighbours. It does not make

sense, all these contradictions. Today, the Minister of Finance proposed a number of measures to help businesses create jobs and all I have heard from the hon. member is that we should not encourage businesses and we should beef up our unemployment insurance programs.

Does the hon. member for Nickel Belt not have any suggestions for creating jobs at the same time, since that seems to be his main argument, to protect the little guy, with a lot of grand gestures? He says we are crushing the little guy, but we want to create jobs for people who are on unemployment insurance. I would like to know whether he has a more acceptable method for correcting our unemployment problems.

[*English*]

Mr. Rodriguez: Madam Speaker, I welcome the opportunity to respond. First of all let us get something clear. These UI programs—let us understand very clearly, let us put the deck on the table.

The employers and the employees pay for the unemployment insurance program. This government removed itself from participating in the unemployment insurance program so that any benefits which are in the program are paid for by the employers and the employees.

I have no problem at all with industries and with putting a climate in place that encourages industries to invest and expand. However, if I were the finance minister I would not allow industries to take advantage of scams and loopholes in the income tax system to avoid paying their fair share of taxes.

If the hon. member is suggesting to me that because some other country allows its industries to do that sort of thing we should get into the mug's game then where will it end? The looser its tax system becomes with respect to its taxpayers the looser ours should become?

That is reducing the economy to the lowest common denominator not raising it to the highest common factor, if that is the kind of mug's game we want to get into.

Creating jobs, yes. If this document that was read today made creating jobs the focus I would have taken off my hat to the minister. I would have kissed his hand. I would have kissed his knee. I would have stopped there. If it did that I would have applauded him.

In the statement he took great pride in saying we brought inflation down to less than 2 per cent. We never heard in great detail the projections about unemployment. After all of this pain the unemployment rate will be 11 per cent or more; 11 per cent. Imagine the productivity that is lost with over 1.5 million unemployed in our country.

There are things we can do that are investments in the country, such things as an infrastructure and renovations. The best way to go is to train and educate. These are investments. They are expenditures but they mean jobs for the future.

• (2020)

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Madam Speaker, I appreciate the opportunity to speak during this debate on the actions the government has announced to improve the state of public finances and to restore our economy. In doing so I would like to indicate what the government sees as the future of the Public Service in supporting Canada's economic competitiveness.

This government has attempted in each year since 1985 to reduce the cost and increase the efficiency of service delivery. In budget after budget, and often in between, reductions have been imposed on the planned operating expenditures of departments. Today's measures affect programs delivered by public servants as well as transfers to individuals and grants and contributions to organizations and business.

I want to underline the fact that the government could not have made the reductions that were necessary and continued to serve Canadians adequately were it not for the professionalism and dedication of the employees of the Public Service of Canada.

The cost reduction measures outlined in today's economic statement are substantial and, given the cumulative effect of the cuts over the past eight years, represent a major challenge for those who deliver the services.

The 2 per cent reduction in operating budgets for 1992–1993 has been introduced two-thirds of the way through the fiscal year. Many departments are having to impose their own freeze on hiring and virtually all discretionary expenditures to achieve the required savings. The cuts in 1993–1994 and future years amount to

approximately 5 per cent of planned expenditures on operations and require even more severe measures.

The economic situation that led to these measures is not unique to the Canadian federal government. The world economy has been weaker than expected and growth projections for most countries have been revised downward. This in turn has reduced revenues and increased pressures on public expenditures.

Fiscal responses have varied but in all cases they took the form of severe expenditure reductions. For example the Governments of Italy, Sweden, and Great Britain have in the past few months all announced fiscal restraint packages, some of which include wage freezes and all of which include program reductions and increased delivery of services by the private sector.

In Canada provinces are also feeling the pressure on their deficits owing mainly to revenue shortfalls. Five provincial governments have announced expenditure reduction measures in the last month alone.

What are the fiscal requirements for limiting wages? The Canadian government program expenditures, other than those for unemployment insurance and transfers to the provinces, have remained well within planned levels. However, the revenues available to the government have declined relative to the projections in the 1992 budget by about 6 per cent in 1992–1993 and 7 per cent in 1993–1994.

The economic statement calls for reductions in the operating costs of government from the levels announced in the last budget of $1 billion in 1993–1994 and $1.4 billion in 1994–1995, exclusive of the special reduction of $250 million in defence spending in 1994–1995.

This requires on average a reduction of about 5 per cent of the operating costs of government below the planned level; about 4.3 per cent in 1993–1994 and 5.5 per cent in 1994–1995.

Approximately two–thirds of operating budgets are devoted to personnel costs. Since in most departments operations and maintenance expenditures have not been increased for inflation since 1985 these non–salary components offer limited scope for further reductions without serious impact on service delivery.

This means that in 1993–94 the over–all wage bill will have to be brought down from planned levels by approximately $800 million on total personnel costs of $19 billion.

[*Translation*]

The question then becomes that of the best way to achieve the approximately $800 million reduction in the wage bill with the minimum effect on delivery of services and minimal layoffs of public servants.

In weighing the options the government decided that the most effective way of achieving this result would be a combination of a wage freeze and a reduction in planned Public Service employment to a degree that could be achieved mostly through attrition.

Legislation will be introduce to freeze federal public sector wages for some 390,000 persons in total, including all cabinet ministers, MPs, senators and their staffs, employees of the House of Commons, Senate and Library of Parliament, employees of the Public Service, Order in Council appointees and members of Canadian Forces and the RCMP.

Employees of Crown corporations that are dependent on appropriations and that are not in competition with the private sector, such as the museums corporations, will have their wages frozen. Crown corporations that are dependent on appropriations but are in competition with the private sector, such as VIA Rail, will be funded as if their wages were frozen. All other Crown corporations are being asked to keep their wage settlements in line with the wage policy.

One can ask how many jobs will have to be cut. As all departments will be managing under the new operating budget regime next year each will be able to determine the mix of savings between salary and non–salary dollars to best meet their requirements. It is, therefore, not possible to forecast with precision the over–all employment implications. However, some rough estimates can be made at this time.

For the 235,000 employees in the Public Service for whom Treasury Board is the employer, which does not include the military and uniformed RCMP, the required reduction from planned levels in the wage bill is about two–thirds of the $800 million, or just over $500 million. The government had planned for an increase of up to one per cent in employment in each of the next two years

so the net reduction in the wage bill for 1993–94 is just over $400 million from the 1992–93 levels.

The savings from the wage freeze on these employees will look after all but about $190 million, which must be found through reductions of 3,000 to 4,000 in employment levels. We believe that most of this can be achieved through attrition. The current rate of attrition, mainly through retirements and resignations, in the Public Service is four per cent, or 8,000 to 9,000 people per year. Most departments were planning for roughly stable employment levels for the next two years but some were already planning for decreases, and a very few were planning for increases to meet significantly greater demands.

Arrangements will be made through the Public Service Commission to facilitate the retraining and transfer of employees to departments that would otherwise be hiring from outside the Public Service. If an over-all reduction of 3,000 to 4,000 in employment levels can be achieved next year then further employment reductions would not be necessary in the second year to reach the target reductions in operating budgets.

[*English*]

The government recognizes that in freezing salaries it is asking its employees to take a reduction in their real salaries. This creates a reduction in living standards for loyal employees who have no control over declining revenues during a period in which they are continually asked to perform their duties with fewer resources. The government recognizes this and asks Canadians in turn to recognize the contribution its employees are making to help get the country's public finances in order.

• (2030)

[*Translation*]

Over the next five years, the government will be introducing, in phases, a new job classification system with a gender-neutral evaluation plan. This plan is being designed with extensive input from Public Service unions, the Canadian Human Rights Commission and outside experts to ensure it respects the principles of equal pay for work of equal value.

Once this is completed it will be necessary to find the best way simultaneously to satisfy the equal pay provisions of the Canadian Human Rights Act and to negotiate collective agreements that are sensitive to Canadian labour markets.

The Human Rights Commission's equal wages guidelines allow for wage differentials that respond to labour shortages in particular occupations or geographical areas. The government will consult unions and other employers on the fairest and most effective way to meet both objectives during the next round of collective bargaining.

The measures set out in the economic statement were not discussed with the Public Service unions before they were announced. The government carefully considered whether it would be in the public interest to try to negotiate wage levels that were affordable. In light of the experience in the last round of bargaining, which culminated in the strike by the largest Public Service union in September 1991, it was decided that it was not in the interest of the public nor of employees to enter into negotiations facing a fiscal situation that virtually guaranteed the government would be unable to meet union demands. This decision, was not taken lightly.

The government hopes that at the end of the period of extreme fiscal stringency covered by the proposed legislation collective bargaining could resume in a normal way. In the meantime, consultations can continue through the national joint council on non-compensation issues during the period of the wage freeze. As well, I have established a joint committee to undertake a full review of the management of Public Service pensions.

[*English*]

Reductions of 5 per cent in planned operating costs of government will inevitably have an impact on the level of services that the government can provide to Canadians from their tax dollars. In the short run, it will simply not be possible to do more with less. The Public Service has been successful in achieving effective productivity improvements each year as increasing demands have had to be met with ever more constrained resources.

Since 1985 the government has been providing services to a more diverse population that has grown by 8 per cent with 2.3 per cent fewer employees and operating and maintenance expenditures that, for most departments, have not been increased to take account of inflation. Although there have been some reductions in certain service areas there has been growth in such areas as

native programs, the green plan, the drug strategy, AIDS research and immigration. In broad terms, the Public Service has been achieving productivity increases of at least the rate of general productivity growth in the economy. This is an achievement for which Canadians and their Public Service employees can be proud.

While the growth in demand anticipated for the next year will vary from program to program the growth in population is probably the best comprehensive indicator of the change in demand for services. It is projected to be 1.2 per cent annually over the next few years. This increase in demand has to be addressed with fewer employees and reduced operations and maintenance expenditures. Of necessity, some services will suffer. Departments are being asked to find as much as possible of the cost reduction through streamlining of internal administrative processes and to maintain essential services, particularly those pertaining directly to the health and safety of Canadians. However, many departments will have to reduce levels of service in areas that are important but not absolutely essential.

Some rationalization of the delivery systems will be required. This may involve consolidation of offices and alternative forms of delivery, such as greater use of telephone services and new forms of automation.

There will be administrative innovation to achieve the saving in administration processes and support and the government has undertaken a series of initiatives. The operational review of the five government departments and agencies concerned with internal administration have now been completed and savings of at least 5 per cent will be achieved without noticeable effect on service to the public.

The Council on Administrative Renewal, led by the Comptroller General of Canada, is reducing the cost of government administration. It is looking at alternative methods of delivering administrative services, at re-engineering current processes and at possibilities for sharing systems government-wide. This applies to areas such as financial management, materiel and property management, human resources and information management.

There will be some consolidation of administrative support functions between departments. A substantial portion of the federal government's operating costs are devoted to regulatory and enforcement activities. Some savings are anticipated from the extensive regulatory reviews launched in the last budget.

[*Translation*]

Investing in people and technology, the government believes that to ensure a healthy economy it must maintain an innovative and professional Public Service. While the government has been forced to make hard decisions on wages and operating budgets it will continue to promote improvements to the way in which the Public Service is managed, and encourage innovations in the work place. As an example, the Treasury Board recently announced a pilot policy on telework that will help some employees better balance their work and personal demands. Through Public Service 2000, departments are fostering creative approaches to management that empower employees and create a more open and participative work environment.

[*English*]

As I said in my opening remarks, the expenditure reduction measures announced by the Minister of Finance are very severe and far-reaching. The government is calling on federal employees to make greater sacrifices in their standard of living than at any time in recent memory. Similarly, we are calling on the Canadian public to understand why there may be reductions in some of the services they have grown accustomed to receiving. The service level may not be all we would like to provide but it will be the best the country can afford.

We will continue to work with our employees and their bargaining agents and consult with client groups to modernize government operations and to provide cost effective service to Canadians. I am confident that we can achieve the changes in government operations required to meet these spending reductions.

As President of the Treasury Board I have been exposed on a daily basis to the ways in which employees have vigorously met the challenges of restraint. I am certain that we can continue to pursue new ways to deliver programs and enable the Public Service of Canada to remain a vital national institution.

Mr. Rey Pagtakhan (Winnipeg North): Madam Speaker, I rise to indicate that today's economic and fiscal statement by the hon. Minister of Finance earlier this afternoon lacks a plan of action to eliminate poverty and to attain full employment. In fact, it lacks social con-

science. It is a blueprint to penalize the unemployed, the poor on social assistance and the small businesses facing the credit crunch. I again remind this government of the stark social realities: 1.5 million unemployed, 2.3 million on social assistance, 3.8 million are poor, of whom 1 million are children, and 2 million rely on the food banks. Does this government care about them?

• (2040)

I ask the minister to explain how his government can indicate that the average benefits will be frozen and yet the only thing that will happen will be a reduction in benefits. Where is the arithmetic? How can an average figure be frozen when the only thing that will happen is a reduction and there is no suggestion of any increased benefits in any arm of the program? I cannot follow the arithmetic.

Will the minister, who has said public sector employees will be asked to accept a reduction in real take-home pay, not admit that it would be more compassionate and fair to reduce the size of cabinet today?

Would it not be better management to stop the illegal awarding of contracts to political friends to the tune of millions of dollars? As recently reported by the Auditor General, in the health and welfare department alone, 22 out of 23 contracts to the tune of millions of dollars were illegally awarded. Why does the minister not have a budgetary projection of savings by avoidance and cessation of illegal mismanagement by this government?

Mr. Loiselle: Madam Speaker, the hon. member says that this government lacks a plan of action to eliminate poverty. Then he states the numbers that are indeed very worrying: The number of unemployed, the number of people who are in difficult straits. My answer is that we have to provide real solutions for these people. It is very easy to say that there are problems and then to run away from solutions.

The reality is that unless the government puts order in the fiscal situation of Canada, which is threatened by the lack of revenue because of the recession and the slow recovery, all these programs are threatened.

It is not running away from these problems when we deal with that. This is more difficult than being easy and throwing money that we do not have, borrowing more which would cause the debt and the cost of the debt servicing to go up again and prevent us from having the money to help these people. It is precisely because we want to protect these programs that we are taking these very difficult measures.

The hon. member says he does not understand the freezing of UI. He has to understand that UI benefits are given based on the income of the people who lose their employment. The projections are that these incomes will indeed grow and the benefits will be frozen. Therefore, there will be a difference between the two.

He also talked about the size of cabinet. One could discuss this at length. It is possibly an illusion to believe by removing some ministers or many ministers—I will give him his choice—we would have huge savings. There are maybe many ministers to manage an administration which provides air traffic controllers, which provides health inspectors, and we hear the opposition saying there are not enough of them. The number of people will be the same with fewer ministers but we have a saving of a few million dollars and we have billions of dollars of problems. This is an illusion of a solution again.

He talks about contracts referred to by the Auditor General not being given in the proper way. The Auditor General has reported on a budget of $160 billion and he refers to some questions on $5 million. This is again an illusion that the hon. member thinks that these are the solutions to the real problem.

The Canadian government has to manage the economy at a difficult juncture. We have been very proud to be in government during the seven years of highest growth in the history of Canada. There is a difficult world-wide environment.

We are dealing with it by making the necessary adjustment. The government is not the solution to all the problems. It takes money and then redistributes it. We can take more but the member does not want us to raise the taxes so we have to borrow it. We pay our bankers. It costs more money which is not available for the poor people. We have to strike a balance. This is what we are trying to do and it is not easy.

Mr. David D. Stupich (Nanaimo—Cowichan): Madam Speaker, my question is for the President of the Treasury Board.

I believe it was two weeks ago yesterday that the United Nations International Labour Organization criticized the Canadian government for having abandoned true collective bargaining with its employees and urged the Canadian government to get back to the bargaining table with its employees. They were further asking the Canadian government to keep the ILO informed of progress toward the resumption of true collective bargaining.

I wonder if the minister would like to comment on that.

Mr. Loiselle: Madam Speaker, a sub-committee of the ILO did consider that legislating wages as we have done is not the proper way to function in a normal environment. I do not disagree with that at all.

We are taking this difficult measure and we are doing it again, but not because this is the way we would like to do it. It is because we have to solve a problem. If it is not solved it will be our work force that will suffer from it.

The government can let things go until such time as we have to pay $50 billion instead of $41 billion in interest on our debt next year.

Listening to only those proposals made in the last few days on that side of the House, municipal infrastructure for this or for that, I counted about $25 billion. I do not mind spending it. We would be very popular.

However, what would happen? The rate of interest would go up. The government would not be able to find money to finance it. It would be a total disaster. Then we would have to fire hundreds of thousands of civil servants. This is not what the government wants to do. It wants to protect them by managing the affairs of the country in the best possible way.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Madam Speaker, there is a lack of measures that I think would reduce government spending, but which have been discussed or debated. I am thinking for example of the administrative agreement with Quebec on manpower which would save between $250 million and $300 million. I also wonder whether we should not implement many of the recommendations made by the Auditor General, who says some practically scandalous things about the way this government manages the taxpayers' money.

I am also thinking about the paid trips for immigration officers to take people who have been denied admission by the immigration department back to their country. Remember that these officers have no jurisdiction outside Canada airspace. Their trip is paid, two per refugee, and I submit that very few refugees think of leaving the plane between take-off and landing. Nevertheless, two people are regularly paid to spend three or four days in Paris, New Delhi and so on.

I am especially thinking of the De Cotret Report which proposed reducing the number of departments and therefore the number of ministers. If I understand correctly, the minister said his colleague's report was an illusion. I would like him to explain his colleague is the victim of an illusion.

Mr. Loiselle: Madam Speaker, I did not say that my colleague's report was an illusion. I said that it is illusory to think that doing away with 10, 15 or 20 ministers will solve Canada's financial problem. It would save several million dollars, but the deficit is $32.6 billion. So it is a useful exercise and I agree with everything that can improve the way the country is run. I will always agree to support such measures but that is not a solution.

Of course the people who are deported cannot leave the plane but they can cause problems on board and that has happened very often. Airlines require that they be accompanied.

Third, on the administrative measures, the hon. member thinks that simplifying the management of manpower programs would save $250 million. That is totally absurd. Do we pay $250 million for administration? No, we give it to the beneficiaries. In any case, it is spent for their benefit. So how could we go about it? By taking it from the beneficiaries? This money certainly does not go to the officials but to the beneficiaries.

Treasury Board did a study of duplication in all governments in Canada, and I suggest that the hon. member read it. There are many examples.

• (2050)

Of course we could combine those programs under one roof. There are some savings to be made. But on the whole, it is like the parks service. The National Parks Service provides some programs and the provincial parks provide other types of programs. They can indeed be combined under one administration and we would save a little, but we still need wardens and people to receive the public. It does nothing to change the costs. Detailed studies have been done with the provinces. I would ask my friend to read them. There are savings, but it is illusory to think that would solve the multi-billion-dollar problems we have. We must not look for solutions in the wrong place. That is what is so tremendously frustrating. We could well cut 20 ministers, but it would do nothing to change Canada's deficit.

[*English*]

Mr. Joseph Volpe (Eglinton—Lawrence): Madam Speaker, the minister in his speech used the words "illusion" and "illusory" at least six times.

What is illusory is the government poor attempt to try to create an image of credibility, of being able to manage this economy and this country responsibly. I say it presents an illusion because its credibility is much it at stake.

What is illusory is its ability to predict, its ability to perform, and its ability to fashion out a vision for this country.

If we can take a look for a moment at its ability to predict, just from February to December of this year, in 10 months the Minister of Finance has indicated that he was off on his predictions of revenue.

First he predicts $132.1 billion but now it is $124 billion. He is off by 7 per cent. He is off on his predictions on the deficit, which he claimed would be only $27.5 billion, but in fact today is $34.4 billion. He is off by 25 per cent. He is wrong on the debt, which is $10 billion more than he predicted it would just last February.

I am limiting myself to just this year because the record of the finance ministers who preceded him over the course of the last seven years has been even worse. Yet he comes to us with a claim that the government is headed in the right direction and even makes some grandiose claims about the value of the GST. Good Lord, I did not know whether I was in the same place or whether the minister had just fallen from the clouds.

If there is a tax that is hated by Canadians everywhere, it is the GSt. It would not be that bad if the government would at least admit that even on its predictions with the GST it made enormous miscalculations.

The government thought it was going to produce in its first year $25.5 billion in revenues to replace the $18.5 billion normally collected by the manufacturers' sales tax. What was collected? This year it was $15.5 billion.

This is a tax that the minister in a bold-faced approach today says is satisfactory to manufacturers. Retailers are vaunting the fact that it has led to a depreciation in prices. I do not know whether the guy ever gets out of his chair. The reason there is a depreciation in prices is because there are no buyers. The buyers that do exist are going across the border to pick up their goods.

The GST has depressed consumer confidence. It has made the government much more intrusive in the affairs of small businesses and the lives of Canadians everywhere. Worse, it has driven a substantial portion of our economy underground.

Yet the minister talks in favourable terms about the direction he is taking this country. He says we are still going to lower the deficit and we do not do that by raising taxes but by controlling spending.

Let us judge the government according to its performance. We do not need to raise taxes. Personal income taxes between 1984 and 1988, in four years and arguably four of the best years from an economic point of view in Canada, went up by 59 per cent. There was a 59 per cent increase in personal income taxes. They went up a further 22.6 per cent between 1988 and 1992.

He talks about easing the tax burden in order to generate some positive confidence in the economy. The man has to be telling an untruth—I was going to say a bold-faced lie, but I cannot say that—of the greatest variety. Total direct taxes were increased between 1984 and 1988 by 46.2 per cent. They went from $49.9 billion to $73.097 billion. In the following two years, 1988 to 1990, they went up an additional 17.5 per cent.

We cannot believe these people any more. They do not even read their own statistics. We are going to judge them on their performance because these are great managers, as the minister just said, and they have to manage the economy in this country responsibly.

Let us take a look at what the Minister for International Trade said with great pride, almost with a sneering condescending attitude, when somebody dared to criticize what he had to say. Let us take a look at the performance of our export market, our international trade, under the great managers opposite.

Between 1984 and 1988 our merchandise trade balance went from $19.8 billion to $10.1 billion. That is a drop of 96 per cent. Great guys. Give them your investment portfolio. You will be penniless before the day is out. From 1988 to 1991, the period following that great advancement on free trade with the United States, what happened to that merchandise trade balance? It went from $10.1 billion to $7.4 billion. Thank the Lord it is still positive. However, the drop is a further 27 per cent. I am being kind.

I could have started with the current account balance. The current account balance under these great directors of the economy went from a plus $3.437 billion in 1984 to, in 1988, after their first term in office, a negative of $13.883 billion. We went into a deficit in four years when this economy was booming by everybody's standards.

What happened after 1988 to that current account balance? We have free trade when the government sold us another bill of goods. In three short years that current account balance went down a further 92.9 per cent to a negative $26.789 billion. Does the Minister for International Trade ever read his own statistics? Or does he just look in the mirror and say he is right and everybody else is wrong?

We are judging them on the basis of their performance in good times. Let us take a look at what they do in bad times because they are fond of comparing a program and performance of the previous government in 1982 in the recession. Yes, in 1982, the worst year of the recession, there were 10,265 bankruptcies in Canada.

In 1991, not yet the worst, there were 12,952 bankruptcies. This under the direction of those who know business like nobody else knows business.

The Minister for International Trade said we do not live in the real world. They do. We saw an increase under their great management in poor times of 26.2 per cent in bankruptcies.

Let us translate that into dollars. In 1982 those bankruptcies represented a loss of $1.9 billion, not an insignificant amount of money. In 1991 the value of those bankruptcies was $4.9 billion, an increase of 257.9 per cent in value to the Canadian economy.

The Minister of Finance, now that he is before us, says the government is going to do great things. His buddy, the guy who sits right beside him, says they know the marketplace, that we do not have a clue. They do not believe in an economy that is force fed by the government—I think I quote him correctly—but they believe in one that is driven by Canadian entrepreneurs free of government interference.

Let us take a look at what they are doing. They have a bill before the House, Bill C-91. What they are going to do with this bill is kill Canadian entrepreneurs dead in their tracks. The generic drug industry, according to government statistics, has 10 per cent of sales in drugs.

• (2100)

An hon. member: Legitimate ones.

Mr. Volpe: The generic drug industry has 25 per cent of the assets. It has built a critical mass of Canadian expertise and Canadian investment opportunities. It is going to advance in the world, but the government says: "No, no, no. We cannot have that. We do not want to interfere in the marketplace so we are going to bring forward legislation that will stop you dead in your tracks and transfer that money that would normally come into the Canadian economy to those who have the patents".

The predictions of these people cannot be believed. On the basis of their performance, these people cannot be believed, and they cannot be believed on the basis of the legislation they put in this House that kills Canadian businesses. Instead of accepting this kind of legislation that is force fed to us we have to defeat it, and if it passes we should rescind it the moment that we throw this bunch out.

Mr. Alex Kindy (Calgary Northeast): Madam Speaker, it is with great interest that I listened to this speaker. He spoke with such eloquence.

I wonder whether it is really the Minister of Finance who is responsible for the predictions. If we look back in history we see that the Minister of Fisheries and Oceans had predicted Canada's deficit in 1985 would be $2.1 billion. In reality it turned out to be $34 billion.

Mr. MacEachen had said, for instance, that by 1983–84 the deficit would be $7.5 billion and in reality it was $32 billion.

Mr. Lalonde had another prediction. In 1983 Mr. Lalonde predicted that the deficit in 1986–87 would be $17.2 billion. In reality it was $30 billion.

Now we know what the Minister for International Trade said because I sat with him for quite awhile on the other side of the House and he was predicting as well that he would balance the budget, he would reduce the debt of Canada. What happened? We see in this year, for instance, the prediction was that the deficit would be $27.5 billion. In reality it is $34.6 billion.

I wonder whether the ministers, when they make those predictions, look back on the former statements and say it does make sense or it does not make sense because they have a very poor record of predicting budgets.

I think what really happens is the department does the predicting and the minister is that just a trained seal.

An hon. member: Is the word you are looking for a figurehead?

Mr. Kindy: A figurehead. He just reads the speech in the House and everybody seems to be very impressed because he reads a nice speech. He does not address the fundamental problems. The fundamental problem is that Canada is today in a very sad situation.

Canadian Airlines and Air Canada are on the verge of bankruptcy. Air Canada's asset to debt ratio is one to nine. It is a bankrupt company and this government had appointed all the directors of that company. I wonder what the directors were doing? Were they checking whether the company was prospering, were they checking to see whether the company made right decisions, or they were just travelling around the world because they could travel with a pass.

Those directors were appointed by this government and they were friends of the government. The minister should be addressing those problems. He should address the problems with the Royal Bank that tells us today that 67 per cent of its outstanding loans are not being paid; $3.5 billion. Does he address that problem? No. Maybe the hon. member could comment?

The Acting Speaker (Mr. DeBlois): I am sorry for the hon. member, but surely he expects the answer from the hon. member for Eglinton—Lawrence.

Mr. Volpe: Mr. Speaker, you know that what I would do is give an answer that would only be complimentary to the government's record. I am glad he gave me the opportunity to compliment him on having the wisdom to change his position from that taken by that side of the House to that taken by this side of the House. By so doing he recognized the error of the government's ways.

Does the minister and do his other colleagues in cabinet ever take a look at the performance of their predecessors, the predictions of their predecessors, the state of the economy? Do they read the reports of their advisers, their bureaucracy, or even casual historians who have taken the trouble to research the performance of the economy in our country? I guess the answer is no. It is that simple. There is nothing in today's statement that would address the issues concerning the residents of my own city, which pays about 44 per cent of all federal and provincial taxes collected in this country.

Mr. Speaker, do you know what has happened to the economy of my city of Toronto? We can see it in the 240,000 unemployed. Nothing is going to be done in this economic statement for the welfare of those 240,000. That is the size of most major cities in this country. It is not going to do anything for the livelihood of the 680,000 people on welfare rolls in the great engine of Canada's economy.

The hon. member for Calgary asks if the government does its homework. The answer is obvious from its performance and its inability to predict. It is a resounding no.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, I appreciate this opportunity to respond to the supply bill before us today in the amount of approximately $8 billion, an amount that just by chance is the amount of the additional deficit first reported in February of this

year and reported by the Minister of Finance as being almost $34.5 billion this afternoon.

The message that this report gave today is that we are having difficulty controlling our spending, that the economy is beyond our control and that as a government we cannot create the wealth that is so necessary in order to pay for the programs we need.

In addition, it is obvious that the government is having great difficulty creating jobs. That is the main issue. I would like to use the little time I have to speak on this bill to discuss the creation of jobs as it relates to the small business enterprise system.

I would like to say to the Minister of Finance that this is not a partisan issue. This is an issue that is on the minds of the 295 members of this House of Commons. It is an issue on which we should all put our minds together to try to address and combine our efforts to try to come up with a satisfactory solution. Everyone in this House must work toward a solution.

The creation of jobs by small businesses in Canada is a necessity. The Minister of Finance today in his opening remarks, and several times throughout his address, said he was going to be seeking the co-operation and assistance of all members of the House to devote ourselves to this very important function.

He outlined some of the plans he has for small business. I will restrict my remarks to that area. I compliment the minister for starting the thought processes going on that small business area. I must say that I do not think the plans went far enough and that I do not believe they will come close to fulfilling the responsibility we all have.

The facts are simply that we have 1.6 million people unemployed in this country. That number is growing. We take it as a given that large business is creating the problem today rather than helping us solve the problem.

• (2110)

Take a look at CN and its announcement of 10,000 lay-offs. We do not know how many people will be unemployed in the airline industry. Who knows how many people will be lost in the GM empire in the Oshawa area. Take a look at Abitibi, where thousands of people are unemployed and there are more to come.

We also take it as a given that those in governments, quasi-governments, hospitals and educational institutions can no longer afford to create the jobs that are necessary. Therefore, the only prospect for job creation in this country is through the small business enterprise system. If we agree with this premise, and I do not think anyone can disagree with this premise, the question simply is: "What do we do to create a climate for business to help the small businessman and to hire some of those thousands of people who are on the unemployment rolls in Canada today?"

We all know the grease that makes a small business enterprise grow is money. Some of us who were small business before we got to this House know that it is called working capital. The Small Businesses Loans Act that was referred to today by the Minister of Finance is not an operative document. With respect, I say that the increase from $100,000 to $200,000 and now to $250,000 might as well be $5 million because I know very few businessmen in this country who know anything about the Small Businesses Loans Act.

Second, I do not think banks are interested. I think the Minister of Finance alluded to it today. Banks are not interested in advising their clients that small business loans are available for their enterprise. Why do we say this? We say it because in section 15 it spells out that the rate of interest that can be charged under this plan is the prime rate plus 1 per cent. We all know that banks are not interested in granting loans at prime plus 1 per cent, especially to the small business enterprise.

Therefore, that is not a very operative document. Unless this government and this House can get this message out most small business people in Canada will not have any knowledge of this particular plan.

Today the Minister of Finance referred to the regulations and said that the government was embarking on a program to make the regulations more simple and more easily understood. I happen to have all of the regulations relating to small business loans today. There are some 35 to 38 pages here. There are regulations 140, 151, 396, 369, 591, 891 and so on. I agree with the minister when he says that the government must clarify the regulatory system with respect to the small business person and

make things understandable for people in that enterprise.

I am a lawyer and I defy anyone to understand all of those regulations and make any sense of them. Therefore, I applaud the effort to make small business loans and all of the regulations pertaining to small business understandable to those who need it, namely the small business people in our community.

After we talked about the small business loan then we got to address the other problem that we are having, which is that we do not have a financial institution in this country that is interested in doing business with the small business person and yet we have the institution in place. We presently call it the Federal Business Development Bank. I am suggesting to the minister that we take this Federal Business Development Bank and rename it the Small Business Bank of Canada. Then as the Small Business Bank of Canada we change its terms of reference and let all small businessmen in this country know that they have a bank they can go to that is willing to support them. The Small Business Bank of Canada will be a bank of first resort for the small business community in this country rather than a bank of last resort, which is what we have today.

I am sure with that added competition within our community and with the chartered banks knowing that there is some competition out there they may open their doors and be more receptive to assisting the small business communities in our country.

Once we have established a climate to make capital available to the small business community, and once we have established that it is profitable, then we can get down to the essence of what we want the small business community in this country to do, which is to hire people.

When we ask the small business community in this country to hire people we are saying in essence: "If you hire someone from the unemployment rolls we understand that naturally you have to train these people and retrain them". Rather than sending them through the formal retraining process at the colleges and universities we will have on the job skill development in the small business he is hired by. He will learn that particular skill in that small business.

In order to do that we have to assist the small business enterprise, either through tax incentives or some other way that says: "We will pay for the skills development". That goes along with the UI benefits that were announced today.

Now we have a small business community that is willing to rehire and hire those people off the unemployment rolls and retrain those people. We all know, those of us who have ever been in small business, that the most valuable thing in small business today is a good faithful employee. There is not a small business person in this country who is willing to give up that valuable asset.

Once we have trained that person—let me just put the numbers together. There are 1.6 million people unemployed. There are 900,000 small businesses in this country. If we could get each small business to hire two people, on average, off the unemployment rolls then we will have not only solved the problem of unemployment but we will be looking for 200,000 more people to fill the job spaces. That would be creating wealth. That is what this government should do.

I know my time is running short but I—

The Acting Speaker (Mr. DeBlois): Order, please. Your time has now expired.

Mr. Phillip Edmonston (Chambly): Mr. Speaker, I was really interested in hearing my colleague from Thunder Bay speak about the effects of this kind of mini budget on small and medium-size companies.

One of the comments I have, which is going to be followed by a question, is that one of the major complaints of small business has been the GST. This government has said it would try to make it easy for small business to live with the GST. I know it has not.

The comment I have about the whole question of small business and the GST is that that there are several things that small businesses have complained about. One is that they have to pay GST but financial institutions, stockbrokers, banks and so forth pay nothing. It is perhaps just a coincidence that the Minister of Finance comes from the financial institution sector. It does not pay anything. Small business people, those 900,000 businesses that my hon. colleague was talking about, pay but others do not. That is one thing.

I would like to know how he sees this. Earlier I asked the former Minister of Finance why he did not tax these financial institutions and he said: "I cannot do it. It is too

complicated". I have never seen anything too complicated for this government, but that is beside the point.

The other question I would like to raise with my hon. colleague is that his party says that it would renegotiate, that it would rearrange or do something with the GST. Would that something be, or at least would he want that something to be, an imposition of a tax on these financial institutions to make it a fairer tax?

Mr. Comuzzi: Mr. Speaker, I thank my colleague for that question. Concerning the first issue about the GST, as a result of the imposition of the GST we have 900,000 tax collectors in our country. It is a terrible expense on behalf of the small business community to collect this tax and it is very expensive. What I am suggesting and what I would hope our party would suggest—I am sure we would get a lot of support—is that if you are going to have someone working for you, you should pay them. If you are going to collect the GST, let us reimburse those who are responsible for collecting the GST and let us pay those who are responsible for keeping the GST in a trust account in order that those funds are available whenever they are required by the government.

• (2120)

The banks, stockbrokers, everybody should be paying the GST.

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, I know that my colleague was interrupted right in the middle of a suggestion with respect to a positive approach to small businesses.

Coming as he does from that great metropolis in northern Ontario, Thunder Bay, that has a history of producing gentlemen and other members who are very proactive when it comes to creating jobs, managing the economy and doing things that are appropriate from the government management point of view, I wonder if my colleague could share with the House some of those suggestions.

Mr. Comuzzi: Mr. Speaker, I thank my colleague from Eglinton—Lawrence. I just wanted to say we had a member of this House who could be used as a model that worked. I happened today to be involved in something else that was very important but I wanted to refer to him. It may answer my colleague's question.

He entered politics from Thunder Bay in 1935 and became a minister of transport and started Trans-Canada Airlines, which became Air Canada. He became the minister of munitions and supplies and took on the task of running Canada's war production. After the war he succeeded brilliantly in working beside a group of businessmen who came to appreciate his efficient and daring conduct on economic affairs. He returned the Canadian economy to a free enterprise system with minimal government controls.

The example the House should follow is that of the great Liberal C. D. Howe who brought this country to its highest point of employment and its highest point of producing wealth. That is the kind of leadership we need. That is the kind of leadership that the Liberal Party has given to this country over many years.

Mr. Robert Wenman (Fraser Valley West): Mr. Speaker, there are parts of the statement I might agree with and parts I might disagree with. However I would like to repeat at the beginning a couple of the strongest parts of this particular economic statement that need to be heard certainly in my riding of Fraser Valley West and throughout Canada.

"Trade is our lifeblood". It is a generality but it is the truth: 30 per cent of Canada's economic activity and one job in four. My constituents are concerned about jobs. If trade is the place to find those jobs, we want to see that continue to expand and grow.

"The Canada-U.S. Free Trade Agreement has proved a success", $16 billion. Now $16 billion is a lot of jobs, a lot of taxes and is a lot of hope for Canada. That bears repeating at this time when Canadians are looking for hope.

North American free trade will give us 85 million new consumers, whose lifestyle and life quality are going up already, even without the agreement, and provide more opportunities for Canadians. There are hopes from the GATT and other opportunities.

It is very important that we should see Canada in its global context and its global interconnection around the world as a major issue of this Parliament and the next Parliament of Canada. In particular I would like to see a new Canada in a newly urbanizing global world. The pace of change continues to accelerate exponentially. Canada must see itself and find its place in this new globe. Among the global megatrends that are of concern

are population growth, rapid industrialization and urbanization.

It took the world over 2,000 years to get to 1650 and a population of about 500 million people, over 2,000 years from the beginning of our history. But it only took 200 years to double that population, from 1650 to 1850. It took only 100 years to double that, population again, from 1850 to 1950. It took only 40 years, from 1950 to 1990, to double that population again. The next doubling of the world's population of 5.3 billion people may be in 20 years. That is a new world. It is a new world for Canada to find its place and its opportunities in.

However there is another amazing trend. Within the massive population explosion of the world, another major trend is that in 1980, 1.8 billion of the world's people lived in major cities of the world, but by the year 2000 that will have increased from 1.8 billion to 3.2 billion. Over 60 per cent of the world's population is going to live in the large cities of the world.

Canada is no exception. Back in 1851 only 13 per cent of Canadians lived in cities. In 1981 76 per cent, and now over 80 per cent of Canada's population is living in cities. What does this 80 per cent of the population mean? It means that 80 per cent of the people we represent are living in cities. I am wondering if we are giving them 50 per cent, 40 per cent or even 20 per cent of the attention that the rapid growth of cities needs, not just in Canada but throughout the world.

I know what it means to people in the Fraser Valley where I live. It means that 30 years ago when I settled in the Fraser Valley every morning I would get up and see Mount Baker glistening in the sun or across it Golden Ears. If I was driving into town I could drive into Vancouver comfortably in half an hour. Vancouver did not get farther away, but now it is an hour and a half away. It is getting worse and worse.

This means that people who dreamed of this higher quality of life in our cities moved there, as I did and as most people in this Parliament did. They hoped for this better way of life. For the average commuter from my area—the average person commutes into Vancouver and out each day—it is getting longer and it is getting harder. Every time he commutes back and forth he is driving in his car and his car is pumping carbon monoxide into the air. Now by noon we often cannot even see the mountains. It is another kind of Los Angeles.

Our air is getting harder and harder to breathe. The quality of our water and water supplies is threatened. I am embarrassed to say that Victoria is still dumping raw sewage into Puget Sound that floats down to Seattle, the other part of our megacity of 4.5 million people. Whether it is the disposal of waste, the quality of air or the lack of rapid transit, these kinds of things are taking the choice of Canadians for lifestyle and denigrating it.

Have we seen any kind of an emphasis from senior governments in this area? I regret to say in most cases it is a matter of downloading. I am not just speaking about Canada. I am talking about the world. The mayors of the cities of the world met in Curitiba and agreed it was a problem all over. They are getting all the population, all the people, all the growth, without the tax base to improve the infrastructure.

I am very pleased to see in this speech the issue of infrastructure. As a Canadian I certainly want to support infrastructure building wherever it can be done in Canada. I am very pleased to support Prince Edward Island for $800 million where we will connect 130,000 people to the mainland, connect an island to the mainland or an island province to the mainland of Canada.

• (2130)

When we look at priorities there are more people travelling in the morning to work over the Port Mann Bridge than there are in all of P.E.I. There are 1.7 million people on the lower mainland and another 400,000 in the Victoria area. We would like to have a land bridge to connect that too but we do not even ask for it because we see other priorities.

I am pleased that there is a thought of infrastructure here, but I wonder if it might better be spent, or some of it might be better spent, on infrastructure like rapid transit in our cities. That is the kind of thing we have to think about.

I was talking to the Minister of Finance the other day. He grew up in Vegreville, Alberta, and I grew up down the road in Maidstone on the Yellowhead Highway. They were wonderful places to grow up, great towns, great cities—Vegreville is a small city—and good places to live. I have not seen any traffic jams there for a long time, but

I live in one every day in my riding and so does everybody else. We need a little help.

The Port Mann Bridge is across the Fraser River. Maybe we need another bridge across there too. There is so much need that I am not even sure that is the correct need. Rapid transit is probably a more important need and a more important use than another bridge because we need to get people out of their cars to sustain the quality of life that we choose in Vancouver and to make sure that pollution does not just keep roaring out the valley. Not only is it coming from that valley but now it is coming from Seattle. It is all one big city. We must work and plan. That area is the fastest growing area of North America, in both Canada and the United States.

We need to work to accept that we cannot stop the doubling of the population over the next 20 years or 30 years. I do not know where it is going to go because we have mountains on one side and the ocean on the other. We have to plan how to sustain that city and that city will be sustained through improvements in infrastructure, communications, transportation, light rapid transit and these kinds of things. But how will it be financed?

We cannot finance every city in Canada but we have to recognize that most people in Canada live in Montreal, Toronto and Vancouver. These issues are big issues there and we cannot just keep downloading on those systems as do both levels of government not only in Canada but throughout the world.

We will need to find in the Speech from the Throne following this economic statement new ideas and thinking in new ways. We have this fuzzy warm feeling that Canada is a rural nation. Yes, agriculture is terribly important and some people in Canada still live in the rural areas but 80 per cent live in the cities. If we want to keep this warm fuzzy image of rural Canada with rural values which are great values and my values, that is fine; but let us live with the reality that 80 per cent of our people live in cities and let us get on with developing sustainable city programs.

Our Prime Minister and Minister of the Environment showed great leadership at the earth summit in Rio. They recognized in agenda 21 the human settlement problem of cities. They had ideas. They said: "Let us establish a sustainable development commission". While the rest of the world is going to proceed with these kinds of things, where will Canada be in the follow-up to Rio, in the follow-up to how we will sustain these megacities because the world is becoming a series of city states? Just as we must connect the cities of Canada we must connect the city states of the world.

How do we change this thought from rural Canada to urban Canada and then how do we help our Minister of Finance see those needs, recognize them and turn them into programs? I think Canada should demonstrate this to the world. If we have the highest quality of life in the world, and that highest quality of life is found for our people who are living in cities, obviously, then how do we sustain that high quality of life? Can we lead and show the world that Canada knows how to sustain its cities?

Our cities are among the most magnificent. Mayor Doré of Montreal showed great leadership at the United Nations and had a great world conference in his city. Toronto had a similar conference and showed the way. Vancouver had the global parliamentarians conference that so many of us attended, and where a resolution was passed that said: "Urbanization is a world problem. Let us do something about it".

In British Columbia Mike Harcourt talks about his Georgia Basin project. He saw this coming for a long time. We have to take the city in the context of its bioregion. They are working together with Seattle and with the U.S. Congress.

These are the kinds of visionary programs where we look to the way we are and almost all of us are urban dwellers—and then we try to find ways to sustain and improve that quality of life.

I appreciate this economic statement and the need, as I have said, to connect to the world through GATT. We are having successes there. I applaud the government on those things. I applaud it on Rio and the earth summit on the environment.

However, if we cannot breathe the air, drink the water and dispose of wastes in these types of megalopolises and if we cannot move comfortably around them then what are we working for? We need to hold new values and bring them forward as we work toward the Speech from the Throne and toward the next generation of urbanizing ideas.

In addition, we also need to recognize that the power of the world and the power of the world's relationship with Canada is where the power is. The power is in Pacific Asia. In 1984 we looked at Pacific Asia and we gave it a good push. We are developing economic relationships. Japan is the number two trading partner for Canada now. If we look at the top five or six we will find China, Taiwan, Hong Kong, Singapore, Korea and the ASEAN groups. This is the future of Canada. That future is building upon the ideas that are in this statement.

We have a North American free trade agreement. Through APEC this can be expanded to cover the entire Pacific region. It is important that we should not see another bloc in the Pacific, as is being proposed by Malaysia. It would be an Asia-only trade bloc, similar to an Europe only trade bloc. I hope our minister will take the innovations of the North American free trade agreement and expand very soon, perhaps, to South America. However, let us keep going around the rim and keep this concept of one free-trading world.

I quoted the minister's 30 per cent figure, which means one in four jobs and $16 billion in the free trade agreement already. This is where our future lies. Let us not run from crisis to crisis. Let us help in Europe and Somalia. Let us help build the critical, tough areas of the world. I have always supported that and participated in that. Let us not be diverted from the future of Canada in the Pacific Asia region.

I have my concerns that this has diminished in its importance. I urge members to think, between now and the throne speech, once again about the Pacific and the reality of Canada as an urban nation.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I enjoyed very much the hon. member's address. I noted his comments about the infrastructure issue and how he would foresee that some of these funds would be directed toward mass transit.

• (2140)

The objective here is to essentially invest in strategic infrastructure development that would improve competitiveness and improve the productivity of the Canadian economy.

We have a number of specific proposals or projects in mind, particularly those that fall within federal government ownership. We will be sitting down with the provinces to determine what their priorities are and to try to work out the appropriate sharing arrangements so that we can move ahead on these projects.

While it is not clearly defined in the background documents or in the speech itself, there is provision to ensure that we will open that dialogue with all the provinces to try to see if we can work toward fulfilling some of their goals and objectives that would enhance the economy and productivity and therefore the competitiveness of our country.

Mr. Wenman: Mr. Speaker, I want to thank the minister for those comments very sincerely. I sense that the minister heard what I said.

I know that the Government of British Columbia is very anxious to talk about their needs on infrastructure. They are not mentioned here in particular, but remember that you said they should be focused on something that relates to making us more competitive.

I am an advocate for parks and tourism and so forth. It is very important, but really we might look at the airport system in Vancouver. That is going to increase our competitiveness. The bridge in P.E.I. is important politically and I am sure it is economical. I am not sure how it will improve our competitiveness, but I can think of three or four other bridges in three major cities of Canada with which we might improve competitiveness.

I certainly want to be for the maritimes and for all of Canada, so wherever we are spending this money on infrastructure, I am in favour of it. I am just saying that we have to watch the priorities.

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, I listened with interest to the member for Fraser Valley West. I know that he is concerned about the environment and about developing Canada to be a prosperous country.

I wonder what his opinion is about transportation somewhat. I see this government has abandoned railways. It has abandoned air traffic because our companies, such as Air Canada and Canadian Airlines, are going bankrupt.

Does he believe that our country should have a railway system. It is efficient and less polluting than cars and trucks, especially since we have a very bad climate. I

really feel badly when I think about all those truck drivers going through the Rockies and going across Canada, not on a four-lane highway but on a two-lane highway, burning rubber and fuel. They are naturally are a danger to everybody on the road and to themselves. What are his feelings on this?

Mr. Wenman: Mr. Speaker, in order to be competitive, some rail lines are going to become redundant and they should be cut. Some highways will become redundant and we may not need them in the same way. Infrastructure changes continually. This is a review of infrastructure.

It might be more important to put a rail link between Seattle and Vancouver. That is two hours there. You are right. Take the cars off the highways there. What is 4.5 million people now is going to be 10 million in 2010.

Certainly we have to readjust the priorities. They may need an intermodal rail yard in Surrey. There is a very heavy demand for infrastructure. Let us look at any place that can use rail, which is clean, efficient and appropriate. It is particularly good for freight and that kind of thing.

Yes, I would support the improvements for infrastructures on rail, but we have to do it in the context of urbanization and in terms of the context of global interconnection between ports and those kinds of things.

Mr. Phillip Edmonston (Chambly): Mr. Speaker, I was very much interested in listening to my colleague tell me this. I agree with him that the infrastructure repairs are not a panacea. It does have its limitations. He wanted to see the government, in addition to dealing with repairing the roads, improving water quality and bridges and other things, also invest in rapid transit. Here is the point I would like to make. A lot of people who listened to this mini budget or statement by the minister today are not totally convinced, I am sure, that the government really has decided to work in their favour or to actually change its direction. It seems to be more of the same.

I would like to ask my hon. colleague this. In addition to urban transit, there is a need for more serious reform in the sense of tax reform and the GST, for example. It could be changed so it is fairer to all Canadians in effect. Is it not evident that this budget that we have had today is not a Cadillac budget? It is not a Chevrolet budget. I am referring to automobiles because I understand the Minister of Finance once was a dealer in automobiles. It is more of a Lada kind of budget. It is there, it is a vehicle, but it is dysfunctional. It does not really respond to our true needs.

Mr. Wenman: Mr. Speaker, I have been in politics for 27 years and I suppose I have never seen a budget or an economic statement that suits perhaps the priorities as I see them. Certainly the minister and the previous ministers of finance who are now making Canada competitive internationally, are in fact on the right track.

I think this budget is very much on the right track. In 27 years, if there is anything that I have felt supportive of, it is the Mulroney government's economic policies that have brought sanity back and have given opportunities to make Canadians more competitive. That in the long term means more jobs, more opportunities and a higher quality of life for all of us.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, the first question is whether this is an economic statement, a mini budget or a maxi budget? What is it?

I suppose one could go to maxi skirts and mini skirts for the parallel. We must ask ourselves what this budget is trying to cover up or reveal. If it is in that particular context, then I would submit that it is a full-blown budget and probably a maxi budget.

We cannot see an awful lot of the government's over-all strategy. Yet we can see a little. We can see some. We can get a glimpse of what the government is up to. I submit to the Minister of Finance who I am delighted to see in the House this evening, that the underlying and double-barrelled premise here, cynical as this sounds and cynical as I believe it is, is that the government has taken a couple of basic political decisions.

First, the poor and the unemployed are never going to vote for this government again. That is not just me saying this as a statement of fact. It is me pretending to be the government coming to that conclusion. The government has said: "We know one thing for sure. The poor and the unemployed are never going to vote for us again, so we need not worry about them".

The second part of the double-barrelled premise concerns the business community that came to the rescue of the Tories in other elections. Given the right circumstances, it can be depended on to vote for this government. That is the double-barrelled premise. First, the poor and unemployed will never, ever again vote for this crowd. If the government came to that conclusion, it is absolutely right. The second part of the premise is that given the right circumstances, some people in the business community with enough plums and incentives and things dangled in front of them could be induced to vote for this government again.

Accept for the moment, at least for the purpose of debate, that those are a couple of parts of a double-barrelled premise on which to build a budget. Just follow through on what this government and the Minister of Finance have done today. He has socked it to the unemployed, to the low-paid worker and the poor and he has dangled a few plums in front of the business community. That is the basic strategy. Everything flows from that. Everything in the budget flows from that basic premise, as cynical as it is.

• (2150)

One of my big disappointments about this budget—I am not completely surprised by it but I am certainly disappointed by it—is the double-talk, the untruth. Listen to this statement on page 12 of the minister's statement today. It states:

> The actions I have announced today will bring the estimated deficit down to $34.4 billion this year.

Bring the deficit down to $34.4 billion. I suppose there is a way in math to state that as a downward trend. What would it be, a minus reduction? We could call it a minus reduction. He has gone all the way down from $27.5 billion to $34.4 billion. That is a drop, a real precipice, an absolute 90 degree cliff. Bang, straight down from $27 billion to $34 billion.

Mrs. Catterall: I call it a 25 per cent increase.

Mr. Simmons: I call it double-talk. I say to my friend from Ottawa West, I call it double-talk.

The same minister, also with a straight face because I sat here and watched him today, also said that the growth next year was going to be 2.5 per cent.

Now, Mr. Speaker, I ask you and I ask the minister who does he expect will take him seriouly when he had trouble predicting six months ahead? Now he is going to tell us what things are going to be like next year, 12 to 18 months from now. In February he was standing here telling us: "Don't worry, folks, we have got it down to $27.5 billion. Don't worry about it". Nine months later he marches into this House, less than a year later, and says: "By the way, I made a slight error. If I cut out another $8 billion from the expenditures, I might have her all the way down from $27 billion to $34 billion".

Therefore one could argue, if we add on the $8 billion that he has cut today in expenditures plus the gap of $6.9 billion, that in nine months his call was $14.9 million out. He was out by $15 billion. Now if you are going to get a crystal-baller, Mr. Speaker, I suggest you not spend your money on the gentleman from Vegreville, the Minister of Finance. He does some things well but one of them is not crystal-balling.

I know the argument that things have changed. I guess they have changed. One of the things that caused them to change was the interest rate policy of this government. Any fool knows that if you keep allowing interest rates to rise, it is going to cost you more to service the public debt and your figures are going to be thrown out of whack. You have heard the lawyers tell us, I am sure, Mr. Speaker. I have a lawyer friend in Newfoundland, not a lot of them but I have one that I still admit to. He happens now to be the Minister of Justice. I used to be in his caucus when he was leader of the party in Newfoundland, Ed Roberts. Ed was known and is known—

An hon. member: A good fellow.

Mr. Simmons: Yes, he is a good fellow I say to my friend from Willowdale. Ed is known for this one. He would often say: "It reminds me of the fellow who had been convicted of murder, having gone out and killed his mother and father and then when he appeared before the judge for sentencing, he pleaded for mercy on the grounds that he was an orphan".

The minister finds himself somewhat in that kind of situation where he has been the perpetrator of the deed. He is a large part of the reason why we have a projected deficit now of $34.4 billion. Do not sit, Sir, on the edge of your chair because that could change at any time. Whether it is $34.4 billion or $25 billion or $60 billion, we will let you know eight or nine months from now, as we have done in this particular case. Between February and

now the difference in real terms, as I just demonstrated, is of the order of $15 billion off the mark in effect.

The minister by his policies and the policies of his administration having perpetrated the deed he now comes to this House looking for mercy. He now comes to this House and asks for some understanding. Frankly, we are running short of understanding. When I say we, I speak for many of the people in my particular riding.

I got your signal, Mr. Speaker, and I realize that my time has almost run out but I hope not before I get a chance to address one other issue on this same page, page 12 of the minister's statement.

I would submit to him, to this House and to the people of Canada that by far the most cowardly and at the same time the most dastardly statement ever to appear in a budget speech anywhere at any time has to be the following:

> Persons who voluntarily quit their jobs without just cause, or who lose their jobs because of their own misconduct, will no longer receive UI benefits.

Follow it through. Put aside for the moment that some people quit without cause. They quit because they figured out how to milk the system. I understand one of the things the minister is alluding to. But he uses a sledgehammer to get at a mosquito here, a very terrible sledgehammer. He must understand it. This is something in his budget that he has to go back on. He has to take that statement out in the interest of basic human rights and basic decency. What he has here is hearkening back to the sweat house days of pre-industrial England.

This is what William Booth who started the Salvation Army was talking about in darkest England. This is the kind of thing where the employer was in the driver's seat, where he called all the shots. With this document, this statement, he knows that the employee is not going to quit because he or she will be afraid they will not qualify for UI. He knows that he can ride that employee right into the ground and when he gets them into the ground, he can then fire the employee.

He knows the employee can be fired for misconduct because the minister has said so. Apparently he has intentions to legislate that. The employer knows that employee is already on his knees economically. While he might pursue the question of whether there was cause to charge misconduct he has nobody to buy the groceries in the 12 or 15 months it takes to prove that particular charge. It is a dastardly thing. I see your signal, Mr. Speaker. My time is up.

I appeal to the minister, in the interest of basic sanity and humanity, to get that statement out of there and all it stands for.

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, I appreciated the speech of the hon. member. I want to make just a couple of comments. I remember in this House when there were questions asked of the Minister of Finance a couple of months ago. He had extreme difficulty saying that Canada was moving toward a recession.

He could not pronounce the word recession. He said: "Everything is on target. Our budget is on target. We are going to have a deficit of $27.4 billion", and so forth.

Then suddenly he had to admit that we were in a recession and that it was worse than a recession. It was a depression; 500,000 manufacturing jobs were lost in Canada; welfare rolls were increasing. Today I read about 700,000 people in Quebec being on welfare. How many in Ontario? How many in Alberta?

The minister's advisers were telling him that he was on target. He tells us today that he is going to solve the problems. Why should we believe him? I would like to ask the hon. member whether he believes what the Minister of Finance said today, whether this is believable or not?

Mr. Simmons: Mr. Speaker, I thank my friend for Calgary Northeast. He sat with the Tories on that side until he saw the light. That is another story but we welcome him to this side. I mention that fact because he better than I can really answer his own question.

Do I believe the finance minister? Well, it is not that the finance minister lacks integrity. That is not the issue. I have always regarded him as a man of great integrity. That is not the issue at all. But integrity and competence are two very different things. Is he asking me whether the Minister of Finance is a competent minister? My answer would be, competent to do what? Competent to follow the orders of the gentleman from Baie Comeau? Yes, he is competent to do that.

Private Members' Business

The Acting Speaker (Mr. Paproski): It being 10 o'clock p.m., pursuant to order passed on December 10, 1992, the House will now proceed to Private Members' Business as indicated on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

ELECTIONS

THIRD PARTY ADVERTISING

Mr. Rod Murphy (Churchill) moved that in the opinion of this House, third party advertising during elections should be restricted to individual Canadians and limits on the amount each person can spend should be established.

He said: Mr. Speaker, I raised this motion which is very important to democracy in this country. In the 1988 election many Canadians were concerned about the amount of money that was spent, especially by those who supported the free trade agreement. There was a feeling in many ridings by many Canadians that the money that was spent by those advocates of the free trade agreement helped to have an undue influence during the election period.

Of course, the problem is that we take away the fairness in our system. In 1975 we had four basic fundamentals about our elections in this country. We required parties and candidates to provide full disclosure of election expenses and full disclosure of income sources. We put limits on total expenses and we required black-out provisions to restrict and limit the influence of paid advertising. Those were requirements that were put in place for all parties and all candidates. It came out of a sense of election fairness to make sure we did not go the route of other countries, notably the United States.

In the United States, it is interesting to note that in the last election many American congressmen and senators and their staff talked about the amount of time they spent raising money for elections. Those of us who pick up a lot of the American channels in our ridings also noticed the types of advertising, the vehemence, the hatred and the anger that was put out by various groups in their paid advertising.

Canadians have been well served by our different approach of disclosure and our approach of limitations. Part and parcel of the limits we put on candidates and political parties is a restriction in the act that has limits on third party advertising.

In 1984 in a lower court in Alberta this provision was struck down on the basis of the charter. Here we are many years later and this Parliament has not introduced new measures in this very important area. As I mentioned earlier, without any real restrictions, we run the risk of another election very similar to what we had in 1988. We do not want to see that happen. We do not want to see completely unlimited spending by special interest groups while at the same time we have severe limits on what political parties and political candidates can spend.

With the types of groups that are forming in various parts of this country that have a lot of money, it is quite possible that the candidate for Thunder Bay—Atikokan or Prince Albert—Churchill River could find out that they are entitled to spend less money in their whole campaign in providing literature, in dealing with all the issues, in making contact with the voters, paid advertisements or whatever other means they have to use to campaign in their ridings. For all of those purposes they could end up being able to spend less money than one single issue group that wants to campaign against it. That is the problem with what is happening in this country at the present time.

We need a strong law that does not completely prevent third party advertising, does not take away the right of freedom of expression, but which puts reasonable limits on money spent in the exercise of those rights. Politicians, political parties and candidates have respected those same limitations on themselves since 1975. What we are saying is that the same thing should apply to other Canadians.

The Lortie royal commission came down with a figure of $1,000 that could be spent by individuals or groups. To make sure that there was no collusion, it also recommended that groups could not combine to make sure that if one person spends $1,000, and somebody else spends $1,000, all of a sudden you find you have $50,000, $60,000, or $80,000 being spent in one riding by what in essence is one special interest group.

We have a law based on fairness but we have a glaring loophole in that law at the present time, a loophole which was, as I said, exercised by those who defended the free trade agreement, those in this country with lots of money. We cannot afford to allow that to happen in the future.

I call upon this government and all parties in this House to ensure that before we have the next election, which must occur within a one-year period, we have reasonable restrictions. We are not asking for a complete outlawing of third party advertising but reasonable limits to make sure that our system is fair, to make sure that those Canadians who are out there working in an election, trying to explain their political philosophy, their dream of where this country should be going and how it should be governed, do not find themselves swamped by those people who have large contributions from all sorts of sources which under the present law are basically secret sources.

We do not know who contributes to the National Citizens' Coalition. We do not know who has contributed to some of the large corporations and some of the front groups that will exist during a federal election campaign. Parties have to list their donors. They have to give the addresses of their donors. They have to make that information public. We should insist that all those who wish to participate in a campaign period should have restrictions in terms of public disclosure as well.

If somebody contributes to the New Democratic Party and it is over a certain amount of money, whether it is $100 or perhaps $250 in the future, we have to make that information public. If someone is campaigning in a riding, or in a province, or in this whole nation on a certain issue, they also should have to make public the sources of their income. We must make our system fair.

We must avoid the excesses of the United States. The only way we can do so is to make sure that we keep restrictions on candidates and parties. If we take that away then we have lost any sense of fairness. We will all end up with the dollar buys the election system of the United States. We also must make sure that for those others who have a legitimate point of view and who choose to work outside of the political parties, there are reasonable limits and that they account publicly for where they raise their money.

• (2210)

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, I am pleased to have the opportunity to discuss the motion that has been sponsored by my colleague, the member for Churchill.

His motion is to the effect that third party advertising during elections should be restricted to individual Canadians, and limits on the amount each person can spend should be established. This question of spending limits is an important one and is subject to the entire range of public opinion.

As a matter of background the Lortie royal commission on electoral reform was created back in November 1989. It held extensive public hearings across the country and heard hundreds of suggestions for improvements in the electoral process. Indeed, its final report was more than 1,500 pages and contained 267 recommendations.

The research studies produced during the course of the royal commission, which will be assiduously studied by my friend from Kingston and the Islands, and will comprise some 23 volumes at the end of the day.

The job of the parliamentary committee on electoral reform, of which the hon. member for Churchill is a member, as I am, is to review the findings of that royal commission and report to Parliament.

In regard to the question of spending limits, let me mention that there were amendments to the Canada Elections Act in 1974 which prohibited spending during an election campaign by third parties that favoured or opposed a political party or candidate. However, exempt from this prohibition was spending relating to an issue.

In 1983 Bill C-169 removed that exemption and created the current prohibition which prevents any election expense that is not channelled through a candidate or through a registered political party.

However, as things stand today under the Canada Elections Act, as a practical matter there is no limit on third party spending. That is because back in 1984 the Court of Queen's Bench in Alberta rendered a decision called the National Citizens' Coalition case, in which the court struck down the then spending limits on third

parties. The court ruled that the provisions of the act prohibiting third party spending were on their face a restriction on freedom of expression. Indeed, the judge stated, and I quote: "Care must be taken to ensure that the freedom of expression as guaranteed by section 2 of the charter is not arbitrarily or unjustifiably limited. Fears or concerns of mischief that may occur are not adequate reasons for imposing a limitation. There should be actual demonstration of harm or a real likelihood of harm to a society value before a limitation can be said to be justified."

The court then went on to conclude that the limitations on freedom of expression were not reasonably justified in a free and democratic society.

In the last federal election in 1988 no spending limit existed to restrict the expenses of individuals or groups other than candidates or registered political parties.

The situation today is this: During an election campaign, while spending limits exist in so far as candidates and political parties are concerned, there is no limit imposed on third parties. Outside of the writ period, there are no limits on anyone, any individual, political party or single or special interest group, to promote any or all issues.

The Royal Commission on Electoral Reform and Party Financing did hear representations from different interveners on this specific issue, as it did on many others. A number of the interventions reflected dissatisfaction about the involvement of third parties in the 1988 campaign, or concern about the impact of third parties in the democratic process. On the other side, there were substantial arguments about maintaining individual rights and the rights of free speech.

There was substantial support both from those who supported and those who opposed restrictions on third party activities for requiring or reporting of third party spending and disclosure of the source of their contributions. The Canadian Bar Association made a presentation in favour of a principal balance between the rights of free expression and the need for some measure of equality.

The royal commission in the report provided in February of this year recommended that election expenses incurred by any group or individual independent from registered parties and candidates not exceed $1,000. It further recommended that the sponsor be identified on all advertising or distributed promotional material and that there be no pooling of funds.

In coming to this recommendation, the commission stated and I would like to again quote from the royal commission report: "A regulatory approach that seeks to promote the fundamental value of fairness in securing the right of individuals and groups to participate in an election campaign by incurring election expenses must acknowledge that individuals and groups cannot be equated with candidates and political parties in the design of spending limits.

"The regulatory treatment of independent expenditures must respect the essential and primary role of candidates and political parties in elections by recognizing the nature and potential impact of independent expenditures".

The royal commission attempted to strike a balance between the individual freedom of expression and the need for a fair process in so far as the parties and candidates for which spending limits exist. As colleagues know, the four volume report of the royal commission is now in the hands of the parliamentary committee for study. Hearings are going on at the present time and third party spending limits, one of the important and difficult issues that the committee will have to consider as part of the bigger picture, are being considered.

I do not believe it would be advisable for us to deal with this issue in isolation from the other issues raised and dealt with in the report of the royal commission. The Canada Elections Act is a comprehensive piece of legislation, its provisions are interdependent, and there is a danger in dealing with financial provisions of the act in isolation.

Frankly, my personal point of view on this matter at the present time is that the individual's right to free expression, his or her freedom of speech must remain paramount. I have rather an aversion to regulation and am not convinced that there is a legitimate argument for spending limits; notwithstanding the report of the royal commission and the viewpoint of my colleague who posed this motion here this evening.

I remain unconvinced. There were substantial expenditures in the recent election and it is quite evident that money did not rule there. Until I could be satisfied that money and money only is the governing principle in these matters I guess I would want to be on the side of

the individual's right to spend as he or she sees fit for whatever cause he or she may choose.

I respect the point of view that my colleague from Churchill has put forward in moving this motion. We have I think an honest and legitimate variation. There are lots of differences of opinion on this particular issue, but above all else it is part and parcel of a number of measures that are presently being dealt with by the special committee on electoral reform, which is holding many hours of discussion and examining in detail the many proposals put forward by the Royal Commission on Electoral Reform and Party Financing.

The special committee was tasked to study the royal commission's report and to make recommendations to the government. In my view it would be appropriate to let this committee carefully study this issue of third party spending in the context of the entire recommendations of the royal commission report and ultimately allow the parliamentary committee to make the appropriate recommendations.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I am pleased to be able to participate in this debate this evening on this very interesting motion put forward by my colleague the hon. member for Churchill.

Like the hon. member for Swift Current—Maple Creek—Assiniboia, I have been involved in the work in the committee on electoral reform which has been considering this very question. I am concerned that the progress we are making on this particular issue is not entirely in accordance with the report of the royal commission. Nor is it in accordance with the wishes of many of us in this party who believe that third party advertising has been a problem in this country. It is one that should have been dealt with some time ago. It certainly constituted a particular problem during the course of the last election campaign.

• (2220)

The recent American experience indicates that the electorate cannot be bought by fancy, glitzy advertising campaigns. Indeed I am sure many of my friends opposite remember the leadership convention they had in, I believe it was 1976, when the Minister Responsible for Constitutional Affairs was chosen to be the leader of their party. I think I have got the year correct on that.

They will recall that the present Prime Minister engaged in a very glitzy and very expensive advertising campaign. Many commentators suggest the reason he lost the leadership race in 1976 to the Minister responsible for Constitutional Affairs was because of this very glitzy campaign that he mounted for that particular leadership campaign.

I was not at that convention, so far be it for me to say what it was he did wrong. I have only read about it. I would not have been caught dead at such a convention.

Nevertheless, the convention went ahead. The current Prime Minister was defeated in his bid for the leadership of the Tory party. They ended up with the Minister Responsible for Constitutional Affairs who was Prime Minister briefly and then of course got appropriately knifed in the back by the current Prime Minister in a subsequent leadership campaign.

In that campaign he deliberately spent on a less glitzy scale. We suspect that perhaps less money was spent, but of course we do not know that.

Money does not buy everything in politics. Perhaps you, Sir, were at one of those conventions and can tell us a little more about it later. In any event, it does not buy everything in elections. But the fact is that it is perceived by the public to be an indication of tremendous electoral power. It is certainly considered that if the party with the substantial amount of money is able to get its message out more effectively and communicate with more people it is more likely to win the election.

I can say that in my own experience, clearly I won in spite of the expenditures that were made by the other candidates, as well as third parties. My own electoral experience was that the other candidates for the other two major parties in Kingston and the Islands both spent more than I did in the election in 1988.

The fact is there was a substantial amount of advertising by other persons who were not registered parties, who particularly in the last few weeks of the campaign advertised extensively in favour of free trade which was favoured by only one of the candidates in that election. She was the candidate for the governing party and was

not successful in spite of this massive expenditure of funds by these third parties.

I cannot help but feel that it is unfair that those parties should participate in the electoral process without any restraint when those of us who are candidates in the election are restricted in what we are allowed to spend.

I know that the Reform Party in its public statements says that it is against any restriction on campaign spending. The wealthiest takes all in the view of the Reform Party. That is not surprising because one has to be well to do to be successful in the Reform Party.

I am sure my friend from Saint-Denis would say it is the same for the Conservative Party. If one is not well to do, one will not be successful in the Conservative Party. I would not want to be so unkind.

There are a few perhaps who have been successful in that party who do not have buckets of cash, but I do not know who they are and I would not want to speculate. I see some hon. members pointing to themselves. That may be accurate, I do not know. It is not for me to judge. Perhaps they can stand up and file a statement of net worth later on.

It is a problem that some people are able to mount extensive campaigns based on the money their friends have available and thereby influence the outcome of the election. It is that third party advertising that this motion is intended to end.

I fully support the motion. I believe that the limits proposed in the motion are fair and reasonable, that there should be limits. It does not say what the figure should be.

The royal commission recommended a limit of $1,000 per person, but it defined persons to include more than individuals. I am surprised that the hon. member for Churchill, a member of the New Democratic Party, is not agreeing with the proposal put forward by the royal commission. It allowed unions and corporations to communicate with their members or shareholders, as the case may be, and that would be exempt from the $1,000 restriction.

A union could send out a mailing to all its members and it would not have to worry about the $1,000 ceiling and similarly a corporation could do the same to its shareholders. Perhaps the fact that shareholders were included scared the hon. member off and he decided that he could do without the limitation for unions. I am sure Bob White would not agree with his position, but who knows because he is not here. I guess he is busy running the province of Ontario, running it into the ground.

What the royal commission recommended is reasonable. In my own view the $1,000 limit is overly generous and should be restricted to something more like $500 which would be plenty. However, I may not reflect the view of all members of the House when I say that a restriction like that is fair and reasonable.

My concern is that we try to get a restriction in place before the next election so that we are not left with a free-for-all on election spending by non-political parties. If there is going to be a fair restriction in place, and I think there is, on the spending by political parties in this country, there has to be a restriction on spending at least during some period during the campaign on the expenditures of other non-political party groups who are involved or wish to participate in the advertising and dissemination of literature in the campaign.

The proposal put forward by the royal commission is generally fair, as is the proposal put forward by the hon. member for Churchill. I hope the chief government Whip who I see is here tonight and of course is in the anomalous position of being chairman of the Special Committee on Electoral Reform will agree to allow for this motion to pass tonight by unanimous consent.

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I was just having a private conversation with the member for Churchill who is the sponsor of this motion.

Mr. Prud'homme: You made him an offer he cannot refuse.

Mr. Hawkes: I made him an offer because his motion opened a door that I have been trying to open and get people to deal with sensibly for over 13 years. I am really pleased to see that door opened. The member's motion reads:

> That, in the opinion of this House, third party advertising during elections should be restricted to individual Canadians and limits on the amount each person can spend should be established.

That open door may surprise listeners, but it is the use of the word "advertising". Current Canadian election

law limits candidates in its written form, individuals and third parties to spending money during a period of time.

That money could be spent on the rental of a building or rental of a pair of ice skates or buying Chinese meals or some other kind of meals for people. We say that in our wisdom we must restrict the spending of money during an election period, not money specifically for the purpose of advertising.

What the member is trying to do with his motion is put some kind of limitation on the system as he talks about equity and fairness, but that limitation is on spending money directly for the purpose of influence.

We can have a more intelligent discussion and resolution of some of the issues on the table if he means it. If he thinks the evil is advertising then let us talk about advertising and get rid of all the other things that in committee he is constantly telling us should be limited.

That we should limit the capacity to paint the wall, to put something on the floor, to clean the sidewalk, to clean the snow off in the winter time and to spend money on all of these purposes is the view he advances consistently in committee. Yet in public in the House he talks about advertising.

It is like a conversion on the road to Damascus, and most of us who serve on the committee find it to be a welcome relief from past practices. If he means it boy, we are going to have some good discussions in the next 10 days as we work on our draft report. We may be able to break some of the log-jams that have been around for quite awhile.

Let us also examine the issue of the principle of limitations. Let me state clearly and for the record that my personal instincts based on my own experience are that more problems than solutions are created through limitations.

• (2230)

I recognize that is a minority view for most people who are connected to electoral processes. We are all stuck with the notion that to amend the election act, we certainly must have the support of half of the people in this Chamber. It would move forward more smoothly with a better sense for Canadian people if it moves forward unanimously.

We are all stuck in the business of making reasonable compromises that will still respect the integrity of the system. I fully expect that regardless of my attempts to be persuasive to my colleagues I am not going to be able to get the majority of members of this House to say that the best policy position is an unlimited expenditure position, that the truest way and the best way to run a democracy is to let people try to influence each other.

When we look at the system which is in current law there is a limit on expenses that do not really relate in a very direct way to influencing people, but they are in there. The taxpayers are charged with the responsibility of a rebate. People are charged with breaking the law and threatened with losing their seat or having to go to jail or something for breaking them. You begin to see what I mean when I talk about the problems with limits.

If we could talk about a simpler, smaller basket of limits, then the problems are less complex. There are fewer dividing lines or border lines. The resolution at least can be better. That is the compromise I would suggest from my position of no limits and his position of a lot of limits. Can we agree on reasonable limits?

There should be agreement on a smaller basket of things so that there are fewer problems and they are more directly related to the notion of influence. That is really what people who talk about fairness are trying to do something about.

I was interested in listening to my colleague across the way from the Liberal Party pointing out that when there is unlimited spending authority, we can spend ourselves right out of voter approval.

History is full of voting situations where the electorate comes to the conclusion that this particular persuasion, this particular person, this particular group spent too much. They make the judgment that the particular person or group is not the right one to run things because they do not exercise a sense of responsibility adequately. Therefore, they would not be good managers of the country or the economy or anything else.

The minute limits are put on things, that is the minute where we begin to say to the electors that there is something artificial going on here. We are not getting the real picture of where people are and the judgments

they would make. We do not give the spendthrifts the opportunity to show people that they are spendthrifts.

That is part of the logic that runs through my mind as to the reason that elections without limits would provide a fairer picture to Canadians of where people were coming from.

Another thing we should look at is the limit today on the period for advertising. We can spend all the money we want until the day a writ is issued. We can spend millions of dollars, if we had it, every day for four years. Then one magic day a writ is issued. All of a sudden, one dime cannot be spent on advertising for example, from the 60th day prior to voting day until the 28th day prior to voting day. Then all of a sudden we can spend, but within limits.

The only time we are blocked from spending money to communicate with electors is the first 30 or 32 days of a writ, the notification of when the election is to occur. There is a kind of absurdity in that too. But I may be forced to swallow that as a principle because it is established. It has been around awhile and members are experienced with it and comfortable with it.

In closing, I would say to the House that we are already seized to the issue. It comes through the electoral reform committee. It comes to us because of court decisions that have struck down sections of the act already. The electoral reform committee will be dealing with it and we will be reporting to the House at the earliest possible opportunity so that we get our conclusions and recommendations to the House and in the public domain as quickly as we can.

[*Translation*]

Hon. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I would like to start by thanking the chairman of the special committee which is now examining the Canada Elections Act, the hon. member for Calgary West, the hon. member for Champlain who is on the committee, the hon. member for Gaspé, whom I see more often, the hon. member for Swift Current—Maple Creek—Assiniboia, my colleague from Kingston and the Islands and the hon. member for Churchill.

It is a good idea to let Canadians know what we are doing. For hours on end, Mr. Speaker, for what seems like ages, we have been sitting to consider how to update the Canada Elections Act. There is of course a very important issue, and it happens to be the subject of the hon. member's motion, which is about individual Canadians having the right to do third party advertising during elections.

I always like to discuss the historical aspect. There are many ways to learn about the history of Canada. I remember, Mr. Speaker, and I am sure you do, since you were a member of this House, when we produced a bill to restrict election expenses. The legislation is very strict, and I am very glad about that. It gives members like me a certain amount of independence, since I do not have to speak at all kinds of gala evenings to raise funds to pay for my election campaign. We know all about that in Quebec, and it is something the people in my province understand. I hate having my hands tied by lobbies of all kinds, because election campaigns are expensive.

In keeping with the spirit of the time, we created a very modern piece of legislation that is the envy of the United States. Personally, I know senators and members of the House of Representatives who envy us, because they say: We, as members of Congress, instead of looking after the needs of the nation, are almost continuously at the mercy of our fundraisers.

[*English*]

This is one of the great dangers of the American system. Elected people most of the time belong—I will not say willingly—to lobbies of all kinds. I am going to be nice tonight. I will not mention the most important lobbies. The danger is that they have to raise money all the time in order to get elected. During that time, of course, they are not looking after world affairs. They are not looking after a good social system or medical system because they are raising money. We do not have to do that in Canada. We have a good law.

I am talking directly to Canadians. If they would only understand that by giving $10 or $100 to the party of their choice they could get money back on their income tax, they would participate. Instead of attacking Parliament all the time, they should say: "I am putting my money where my mouth is. I can choose any political party. I will make sure these people are independent and that they limit their expenses".

What happened during the last election? Third parties came in, as my colleague the member for Hamilton East would say, like a Mack truck while my esteemed friend from Kingston and you, Mr. Speaker, and all my colleagues were desperately watching their expenses right

to the penny. In my district I spend, on and off, around $40,000. That is according to the law.

• (2240)

Suddenly third party advertising arrives. Powerful lobbies of all kinds spend an unlimited amount of money and in a way have—I hope it is a good word in English—bastardized a beautiful intention of a pure invention of Canada. It is unique in the world. Third party advertising is leading us directly to the Americanization of our political system and I deplore it. It has nothing to do with my friendship with the American citizens, but I do not like their system. I prefer ours.

[*Translation*]

There must be limits and I know the judges of the Supreme Court are looking into this. It is their job to analyse the intent of the legislator. We do not give instructions to judges. That is also a Canadian virtue. I like the way we appoint judges. In the United States, they are elected. Elect a judge? Imagine. I would hate to campaign against a judge, lose and live in the same district. But in Canada we have a good system and the judges always try to find out what the legislator meant.

I helped draft this legislation under the previous government. I want it to preserve its original intent which was to give members who wanted it, the maximum amount of intellectual freedom. If they don't want it, that is their problem, but for members like me, who want to be a little more independent within our parties, it means we don't get pushed around as much. We can say: "Listen to me." I remember when I was a young parliamentarian and they told me: "If you don't do this or that, you won't get any money from the campaign fund". Now you understand why I get so passionate and emotional about these issues. Once they told me: "You know, if you talk too much, the money from the campaign fund—" Nobody knew exactly what it was. There was a kind of mystery about it but we put a stop to that.

In Quebec they stopped all that, although there is still room for improvement. But at least the tools are available for those who want to use them. I know I am not being partisan tonight and I know my views are shared by many colleagues in all political parties. Even the Bloc Quebecois, which has just joined us, seems to agree with me. Just imagine. Prud'homme and the Bloc. We live practically next door to each other and more or less share the same parishes, but I know its members support that. I know the hon. member for Champlain do and the hon. members for Churchill and Kingston so it will have to be done.

Every time we are ready to pass some good legislation—this is for the judges who interpret the legislation—everybody gets into a panic and says: "Oh, but the charter, the charter". Well, in section 1, as far as I know, the charter provides that when reasonable—and I stand corrected if I am mistaken, because it is late, it is already 10:45—section 1 or 2 and section 3 deal with freedom of expression but only within reasonable limits. I think it is an extraordinary piece of legislation that we should watch like the apple of your eye, as they say, because it is good law. We must not let people from outside come and contaminate a good political system, a good elections act. We are going to update it. We are going to give the franchise to people who are a little farther away than Canada. We listened. We are very much aware of the judgments of the various courts.

I do regret that in one instance in 1984 we did not appeal. It was a judgment handed down by a judge of Queen's Bench of Alberta. We did not appeal and my government was in power. I have never been a member of cabinet, but just to show I am not partisan it was an election campaign and the Liberals were in power. This wasn't being partisan, it was a fact.

We did not appeal. I am convinced that if we had appealed, we would have won. We must preserve this political system and ensure, as the motion says, that third parties are also restricted. I am not in favour of eliminating them totally because they are Canadian citizens—they have to be Canadian citizens—but there has to be a very reasonable limit which can be controlled. If we control the expenses of candidates and members, then we should also control what third parties do.

Mr. Michel Champagne (Parliamentary Secretary to Minister of Forestry): Mr. Speaker, I would also like to take a few moments to discuss the motion tabled by my colleague from Churchill and support the comments made by several of my colleagues who spoke on the

motion from the member of the New Democratic Party. I believe the hon. member for Saint-Denis made quite a remarkable speech on the issue of third-party advertising during elections. I know, after two election campaigns, that the expenses of candidates and political parties are very much controlled. They are controlled to the point that if someone breaks the rules, action can be taken and it can even lead to criminal charges.

I believe that within the electoral reform committee, on which the three main parties in this House are represented, we agreed to discuss this issue. I also think given the situation and the seriousness of the action that could be taken if the limits imposed on the election expenses of candidates and political parties were not respected, this reform should also apply to third parties. At least we should look at it very carefully, because the legitimate right to vote is granted to everybody, at least those allowed to vote under the Canada Elections Act.

Legitimacy or freedom of speech must also take into account the fact that we must not exert undue influence on the debate or the electorate. We saw that during the last electoral campaigns and also during certain activities, where such an influence may have produced what I would call a negative impact because of that attitude toward people and the ability to spend over and above what is prescribed by our legislation. Even if some courts have ruled that this issue could be unconstitutional because of freedom of speech, I believe the Lortie Commission was very wise in presenting its position and in restricting, up to a point, the amounts that third parties may spend on advertising.

In any case, I would like to remind my hon. friends from the other parties that we are examining this issue very closely. I hope the report we table in the House will deal at least with one aspect of the question raised by my colleague, the member for Churchill, in order to bring about some form of control. If we impose some form of control on candidates and political parties I cannot imagine what principle could keep us from imposing one on third parties who pay for advertising. If freedom of speech applies in their case, it must also apply in ours. If political, economical or even criminal restrictions exist for candidates and political parties—because criminal action could be brought against us, the present legislation says so—I cannot fathom logically, and I am not speaking from a partisan standpoint, why a third party could accomplish indirectly what legislation forbids me from doing directly.

That is the fundamental debate in our committee. We are not working from a partisan point of view, our discussions rise well above such things. As members of the Special Committee on electoral reform we hope we can reach a solution which will respect freedom of speech and each Canadian's freedom to express his or her opinion through the candidates, political parties or even advertisements, and which will ensure that each and every one of us is equal, and has an equal right to chose the government. That is fundamental to our legislation. We hope that solution will also ensure we all have equal opportunity to use advertising because advertising will certainly have a more profitable impact if it is better controlled.

• (2250)

Mr. Alex Kindy (Calgary-Northeast): Mr. Speaker, I am delighted with this opportunity to speak to this particular subject.

[*English*]

Third party financing, a motion proposed by the member for Churchill touches a fundamental problem of third party intervention in the election process of members.

There are members of the Special Committee on Electoral Reform here, the chairman was here, the vice-chairman was here and other members of the committee are here. This committee has met on 19 occasions since November 20. On 19 occasions the Special Committee on Electoral Reform has met and only on four occasions has that committee had public hearings. The other meetings were *in camera*.

An hon. member: No, we were drafting.

Mr. Kindy: I am surprised that there is no input from the public. The public is not able to attend those meetings. I had hoped that this Parliament had learned something from the referendum process that took place here in Canada. The public stated clearly to the members that it did not believe in government from above but in government from the bottom.

This committee has not listened to what the referendum told it. The people who voted in the referendum believed we have to listen to the people. As we are

talking about third party financing, this is what really happened. In that referendum the elites, the three parties sitting in this House, all the opposition parties across the provinces, the provincial governments, the newspaper elite and the business elite were all on one side. They were on the yes side on the Charlottetown agreement.

On the other side were the ordinary people. Those ordinary people did not have any financing.

An hon. member: There are more of them.

Mr. Kindy: There were only 14 no committees across Canada. There were over 60 yes committees, and all the money was on the yes sid.

This example shows that money cannot always buy votes. This is the best example we have had in Canada. If the Charlottetown agreement had been a good agreement I am sure it would have passed. It did not pass on its merit. People read the agreement, disagreed, and voted against it in different provinces for different reasons, but they voted against it.

When we talk about third party financing we can see that money is not always the most important factor. What is important is that we have laws that are to the benefit of Canada and candidates who want to work for the benefit of Canada, and I am sure they would get elected. However, what we have been seeing lately, even in this House, is that candidates are being appointed by the leaders. I do not call that democracy.

This is another intervention of our party system. If the leader wants to appoint candidates then we should have a presidential system. The leader should run on a separate ticket and be elected as a president, and then he can appoint his cabinet. There are members here who have been sitting in this House for over 27 years and have never made it to the cabinet. For what reason? For different reasons, not because they were not competent—they are probably much more competent than anybody else—but because they were independent in their thinking.

Our system, and this should be addressed by the Special Committee on Electoral Reform, wants members to be the trained seals who just vote as the party dictates.

I sat on the other side of this House and I remember when the Minister of Finance predicted we would have a balanced budget in a couple of years. What is the result now? We have over $500 billion of national debt, just at the federal level.

We should be doing third party financing, as the member for Saint-Denis said. I think I agree with him on that. In Canada we have a system that allows for members to get elected without a lot of financing. For instance, I spent less than the two candidates for the other parties, the Liberal Party and the NDP and I had the most votes. This limit on third party financing is probably very good in certain circumstances.

A United States congressman, once elected, has to go back to another election in two years. He spends all year trying to get financing for his next campaign and sometimes it goes into millions and millions of dollars. Therefore he belongs to those who finance him. I think our system of financing for candidates is probably a valid one.

On the other hand there is the question of free expression. Somebody mentioned that a court decision in Alberta said third party financing should be allowed. At that time nobody appealed that decision. We had three parties, so it means they all agreed.

An hon. member: That was during the election. We did not have time.

Mr. Kindy: I presume they all agreed to have third party financing. As I said in the beginning, the committee sits *in camera* and I have the list of those meetings *in camera*—

The Acting Speaker (Mr. Paproski): Order, please. The time provided for the consideration of Private Members' Business has now expired.

Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

GOVERNMENT ORDERS

• (2300)

[*English*]

BORROWING AUTHORITY ACT, 1992–93 (NO. 2)

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Mazankowski that Bill C–98, an act to provide additional borrowing authority for the fiscal year beginning April 1, 1992, be read the second time and referred to a legislative committee in the Economics envelope.

Mr. Jim Peterson (Willowdale): Mr. Speaker, we in Canada today are in the worst recession we have had since the Great Depression. How did we get here? This is the government that riding a great boom and growth in our economy after 1984 gave us the free trade agreement. At the same time it gave us a high tax, high dollar, high interest rate policy which made it impossible for Canadians to compete. We can see the results.

Today unemployment is at 11.3 per cent. Canada is being deindustrialized. Over the past four years we have lost 375,000, or 18 per cent of our manufacturing jobs.

The government opposite tells us that times are tough all over. If times are tough all over why have the Americans not lost 18 per cent of their manufacturing jobs as we have? They have lost 8 per cent. Things are not as bad down there because they have managed their economy better than has this Tory government.

We see the deindustrialization and unemployment, food banks, people on welfare and over a million Canadian children living in poverty. What is even worse for our future is that we have slipped in the past year from fifth to eleventh in terms of our ability to compete among the industrialized nations. Our high tech deficit in goods traded is a staggering $15 billion, a further symptom of our inability to compete. Our balance of payments deficit, the deficit we have with other countries, what they are taking out of Canada as opposed to what we are giving them, is a staggering $30 billion. All of this is a sign of a very sick, weak economy.

I give the government credit. I think it is finally starting to realize that it could not stay the course, that its economic policies have been a disaster for our country. What did it do? To give it credit it made some modest moves to try to recognize some of the problems that exist.

In terms of unemployment it said: "We have a plan to get unemployment down to 11 per cent over two years from 11.3 per cent today". It is going to create 5,000 new jobs through its infrastructure programs. These are small expenditures, politically motivated, that will create only half the jobs that Canadian National this week announced it was going to lay off.

The government announced some expenditures in R and D. We were told by the World Economic Forum that our research and development, which is falling is less than half of world standards. No wonder it said we cannot compete. What has this government done? It has finally, having paid lip service to R and D over all these years, said it will spend $400 million more on R and D over the next five years. A pittance. It will hardly boost our rate of R and D by 0.1 per cent.

I give it credit because it has finally recognized that it is not just big business, the big foreign multinationals, that is important. It has finally started to recognize small business and has made some modest moves here—too late. They are not very significant moves but it has at least finally paid lip service to small business.

What it did not deal with in this economic statement were some of the real fundamentals. It made no great commitment to higher levels of education, more people taking science or more people training in the technologies. It did not make a brand new commitment to give us a scientific culture here in Canada. It did not deal with the complex problem of how to get companies into the areas of high tech in which our deficit is growing every year under them. Did they deal with the 30 per cent of our students who drop out of high schools? Did they deal with the 20 per cent of Canadians who are functionally illiterate or the 40 per cent who do not know enough mathematics to get by?

At best, the Conservatives are starting to recognize some of the problems. Their approaches have been nothing but minimalist in dealing with them. They did not tell us where the people who are unemployed today are going to get their jobs tomorrow. They did not tell us where our children are going to find gainful employment here in Canada five and ten years from now. They did not give us a vision of how Canada, as a high wage, resource rich country is going to be able to compete for

the value added jobs with low wage countries such as the southern United States and Mexico.

The Conservatives have their heads in the sand. They did not deal with the industries of the future that globally we know are so critical to giving Canadians the high incomes we need in order to sustain our way of life. They did not deal here with a vision for environmental technologies, new materials, bio-technologies, the new medical sciences, communications, transport or aerospace. They did not tell us they are trying to have this country more and more dominated by foreign multinationals which have their best jobs in their foreign headquarters.

This government refuses to support and wants to kill our generic drug industry. The generic drug industry is one of the fastest rising, Canadian based multinationals, value added, profits, jobs here in Canada with the profits being reinvested here. Canadian based multinationals are the types of industries we should be supporting.

With Bill C-91 this government not only wants to impose a tremendous new increase in costs for drugs on Canadians, but it wants to drive this burgeoning new set of industries out of Canada.

This government has tried to stay the course, the Reagan course, but it has not been able to. The evidence is finally overwhelming that its policies have not been working. Therefore, the recognition of its failure is in this mini budget. It has said it has to change the course. It has to do some other things. However, why did it not have the courage to admit how bad things really are? Why did it not have the courage to bite the bullet and make sure that it was going to be investing in the things today that will produce those jobs tomorrow and 10 years from now?

The Conservatives did not have the intellectual integrity or vision to know what was needed. It is very disappointing that this government has had to wait until the eve of an election in order to finally recognize what it is doing to the hopes and aspirations of so many unemployed Canadians, so many young Canadians who are in school but see no jobs waiting for them out there, so many people who say: "I now believe that it will be impossible for my children to enjoy the things that we have enjoyed during our lives".

This is frightening because we as a country have more potential than any other in the world. We have resources. They alone cannot create wealth but were we good stewards of what we have received from the land, and the water around us? We would be able to transform those goods into value added products that we could be selling on world markets. It requires vision. It requires investment. It requires the best trained people in the world. We cannot be content to give our raw materials, as we have in the past, to other countries and buy back the finished goods, exporting our jobs with them.

• (2310)

We are going to have to transform our economy. This government has not had the courage to do it. It has not had the wisdom to do it. It is a tired government that can only respond. It cannot lead.

The Acting Speaker (Mr. Paproski): Pursuant to an order made Tuesday, December 1, 1992, and under Standing Order 74, the 10-minute maximum after five hours of debate referred to is now in order. These will be 10-minute speeches, no questions or comments.

The hon. member for Willowdale has five minutes questions or comments if there is somebody who wants to ask him a question.

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, I wanted to ask the hon. member a question. He listened, I think, with attention today to the economic and fiscal statement delivered by the Minister of Finance and he probably made a judgment call which I am sure is not very favourable.

I look at the departments of the federal government and see that National Revenue employs over 34,000 individuals. I remember when we were debating the GST the government said it was going to create more exports, it would be easier on the consumer and so on and so forth. Since that time we have lost about half a million manufacturing jobs and the federal government had to hire about 4,000 employees.

My question is, if his party was elected as the government, how would he deal with the GST? Would his party continue that process, or as it has created havoc in the country, would his party take another approach?

Mr. Peterson: Mr. Speaker, the GST has been a real disappointment to this government. It thought the GST was going to be the salvation of our competitiveness.

Yes, it has helped the manufacturers to a certain extent in their exporting but the manufacturers have been losing jobs hand over fist at more than twice the rate of the Americans.

Has it really helped our manufacturers that much? What has it done to small business? The costs of implementing this tax to the private sector alone were estimated by the Canadian Federation of Independent Business to be $9.5 billion. That was more than half of what the government expected to take in from the GST in the first year.

Then we have conflicting statements from this government about the GST. It said the GST was going to be as real revenue-raiser and we needed it in order to increase our revenues and get the deficit down. What did the government find out? Sadly the Minister of Finance had to admit today in his statement that the GST has not produced more revenues than the previous manufacturers' sales tax. This is a tax which in theory may be okay in certain ways, but it is highly regressive so it really penalizes the poor people. Is that okay? I am not sure it is. It told us we needed a VAT, a value added tax, because many other countries had it. Except our major competitor, the United States, does not have it. How stupid can it be? Why is there so much more cross-border shopping?

The Acting Speaker (Mr. Paproski): There are no more questions or comments. We are now into 10-minute speeches and the hon. member for Rosemont has the floor.

[*Translation*]

Mr. Benoît Tremblay (Rosemont): Mr. Speaker, all Quebecers are trying tonight to assess the finance minister's economic statement and are wondering whether the decisions announced today can help get the economy out of the deep recession we are in and create jobs for our hundreds of thousands of unemployed people.

Because the recession is so long, we know the unemployed have lost confidence, consumers have lost confidence and investors have lost confidence. The finance minister's statement should therefore have tried to restore confidence among all these participants in the economy.

Now what do we find in the finance minister's economic and fiscal statement? Instead of decisions to restore confidence, we find a savage attack on the unemployed, an insignificant increase in job creating investments and a deficit for next year that is $10 billion more than forecast. To add insult to injury, the Minister of Finance takes pride in an inflation fighting monetary policy that has led us to the economic disaster we know.

Mr. Speaker, in the space of a few minutes, the Minister of Finance has managed to dismay workers, consumers and the unemployed, increase the mistrust of investors and financial markets and convince everyone that he is completely abdicating his fundamental role of helping the economic recovery.

Let us look at the measures for the unemployed. The minister announced $2.45 billion over two years in cuts to unemployment benefits and gave back $600 million in training, for a net cut of $1.85 billion. Clearly, the government is attacking the unemployed rather than unemployment.

What about the promised investment in infrastructure which the Prime Minister announced at fund raising dinners of the Progressive Conservative Party in recent weeks? Well, these promises only lasted as long as it took to help sell tickets at $500 a plate. After hinting at investments of $24 billion, then $12 billion, today they tell us that $485 million will be invested in infrastructure over two years. This is a completely marginal effort that will have no impact on employment and lets the deterioration of our infrastructure continue.

Let us look at the deficit forecasts. There the Minister of Finance loses all his remaining credibility. Nine months ago, on February 25, 1992, the Minister of Finance announced that the deficit for 1991-92—and there was only one month to go, since that year ended in March 1992—would be $31.4 billion. Now, after all the bills are in, we are told that the actual deficit is $34.5 billion; it was off $3.1 billion with a month to go. That's not all. For the current year, the Minister of Finance announced a $27.5 billion deficit and now nine months later we are told that the forecast has changed; it is $34.4 billion, a difference of almost $7 billion in nine months.

But hold on. For next year, he had announced a $22.5-billion deficit. Today, he just told us his current forecast, which is not the last, is $32.6 billion; a $10 billion error in nine months. If the vice-president of finance of any private company—and the government always talks to us about private enterprise—had such a forecasting record, he would be thrown out before he finished his speech. That is obvious. In less than a year, this Minister of Finance has lost all credibility, although this credibility is essential to stabilize the Canadian dollar and bring about lower interest rates, which are the best thing for economic recovery.

• (2320)

This government has missed a great chance to restore the confidence of the unemployed, the consumers and the investors because of its lack of courage and imagination. For instance, it has decided to freeze all salaries and cut operating expenses by 5 percent in all departments. As such, it is not a tragedy but it goes to show how inept it is at making choices. It has made $385 million-worth of cuts in national defence when nothing threatens our security any more. That is ridiculous. It would be possible to cut $3, $4 or even $5 billions in DND.

How do you expect the people of Quebec to see that we are going through difficult times economically when the government of Canada just had an embassy built in Japan on a piece of land worth over $1 billion? We spend to show off while cutting back on unemployment benefits.

Let us look at the restructuring of the Public Service and the departments. This a hot topic these days. We know that the Bélanger-Campeau commission estimated at about $3 billion the cost of duplication between departments and ministries in Ottawa and Quebec. We were met with a blunt refusal here in Ottawa. It was out of the question to do away with duplication. Just in labour costs, savings would be in the order of $300 millions.

This government's inability to make choices is obvious. It would much rather cut an even 2 or 3 per cent across the line in the estimates. As I said, it is not a tragedy as such. There are so many people out of work that we take the cuts. However, with a minimum of political guts many more billions of dollars that are no longer spent usefully in some areas could have been saved.

Our only source of comfort is to think that this government has only a few month to go. In fact, before long, the electorate will decide. As far as the people of Quebec are concerned, I am sure they will go for a thorough restructuring of their relationship with the Canadian government. There is no doubt about it, the price of Canadian federalism is too high indeed.

[*English*]

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, it is a pleasure to speak on the financial statement which the Minister of Finance presented today. I am pleased that the minister is one of the few of us in the House at this hour of the night. Hopefully he is listening carefully to what the representatives from the different parts of Canada have to say.

In spite of the fact that he is in attendance and in spite of my respect for the minister, his statement today can only be described as a bit of a joke and a financial hoax. If I did not see him fully clothed, I would say it reminds me of the old tale of the emperor having no clothes, with the exception of a little fig leaf which I will come to later.

The reason I say that is the two fundamental questions we are dealing with, unemployment and the deficit, are not addressed in this paper in any kind of fundamental way. When we look at what is projected, in 1994 we will still have 11 per cent unemployment, the same level we have today, and we will have a $32 billion deficit, $10 billion more than what was projected in the minister's estimates just last February.

Somehow he has been able to ignore the fact that there are 1.6 million unemployed people. Those statistics are not just numbers. They represent real misery and real people. There are 2.5 million people on welfare experiencing the indignity of having to live on handouts

from the state when they would like to make a living. There are 4 million in poverty in this rich country, 1 million of whom are children.

Certainly it does not reflect the need that I see in my constituency of Prince Albert—Churchill River. In many of the northern communities we have 70 per cent to 80 per cent unemployment. We have a farm community that is sinking to the abyss. We have more farmers who are over 70 than under 30, an appalling statistic when we look at the future of that industry. Even in the city of Prince Albert, a relatively wealthy city, there are a great number of professional, well educated people, who have done everything right in their lives but cannot find work.

What does the minister persist in talking about? He keeps talking about the fundamentals. What are the fundamentals? Surely one is being able to pay the bills, and cover the debts. Ever since the Liberals introduced a budget in this House in 1974 that started giving tax breaks to the wealthy to the extent that the government was no longer able to pay its debts, its bills, we have seen a constant erosion of the financial situation of this country to the point where today the debt is indeed crippling and something we have to deal with. It is something that in eight years this government has not been able to come to terms with.

Surely another one of the fundamentals is stability so that people can know from one day to the next, from one year to the next, from one generation to the next what their lives are going to be like, what kind of circumstances they will live in.

Looking at my occupation of agriculture, do we see stability or any move toward stability? No, we do not. We have seen the trade wars, the bankruptcies and the loss of hope. What do we see at a time when we need stability? We see this government introducing measures to do away with the Crow rate, the fundamental transportation structure of this country, particularly in western Canada.

We see the government further undermining the Canadian Wheat Board by threatening to take barley out from under its jurisdiction. When it comes to the country at large, we see the free trade kind of philosophy, the NAFTA agreement and the patent drug act, all of which cause more instability in the lives of people.

Surely there is nothing more fundamentally important than a job, nothing more fundamental than the ability of an economy to be able to accommodate the needs and wishes of people to be able to earn their living, to pay for the food on their table, the roof over their heads, their clothes and their kids' education. Surely that is the fundamental that we should all be striving for, but it is one which this government has lost sight of.

What did we see in this statement? Did we see tax fairness? No, we did not. We see a continuation of those big loopholes that the Auditor General pointed out such as family trusts that allow wealthy families in this country to concentrate ever more wealth in their own hands to the point where this country has the greatest concentration of wealth in the world.

We see the offshore tax havens continue. We see loopholes like the entertainment tax credit which costs us $2 billion a year continue. We see in this statement that revenues are short. It is not surprising when so many people are unemployed, not paying taxes and absorbing services from the government. Certainly it is no surprise that revenues are going to be short. The government should have known that.

In my own constituency the welfare and unemployment bill amounts to $126 million a year, an appalling statistic. Surely that is where the waste of money is as well as the shortfall in revenues. We see a continuation of expenditures like the $4.4 billion on helicopters that cannot land on the boats they are designed for and cannot carry out the auxiliary functions that people had hoped they would.

What have we seen to deal with unemployment? We had great promise of an infrastructure program. I must say that the Minister of Finance and his officials have laboured mightily and produced a mouse. There is very little there for any part of the country, but the further west you go the less there is. When you get to western Canada you get a few roads and the national parks.

The minister talks about UI reform. Rather than putting people back to work in new and creative ways, what do we see? We see a situation where people who quit their jobs are not going to be eligible for unemployment insurance, no matter under what circumstances they quit.

In an era where sexual harassment on the job site, unsafe working conditions and so on are at the top of the agenda, people who respond to that will be told: "Sorry, you are out of luck. You did the wrong thing, there is nothing for you". We see cuts in programs that could lead to value added production, that could lead to

investment in new industries like Western Diversification and the green plan.

In the two minutes I have left I would like to spend one minute dealing with the fig leaf, the incentive that we see for investment in small business which is, after all, the major job creator in this country. The changes to the Small Businesses Loans Act, the unemployment insurance holiday, the 10 per cent tax credit are all matters which I think members would generally applaud.

Personally, as the critic for co-operative and community development, I would congratulate the minister for finally taking some action with regard to the unfair treatment that co-ops often experience by making it possible for people forming worker co-ops or other kinds of co-operatives to be able to use RRSP money or RRIF money in order to stimulate co-operative investment. This is a long overdue measure and I congratulate the minister on it.

• (2330)

What could the government have done? It could have brought in some real tax reform. It could have instituted a national investment fund to create value added opportunities, to invest in the knowledge industries, the industries of the future. It could have invested in the economic infrastructure by empowering communities through community economic development corporations, economic development authorities and other institutions like that to take their economic destiny into their own hands in a very low cost effective kind of way. We have not seen that.

What we have seen instead apart from the fig leaf is more GST, more free trade and more of the corporate agenda. With all due respect, Mr. Speaker, I think this is an indication, and I say that somewhat sadly, that at a time when we need creative government action, we have a government that seems to be politically bankrupt in many ways and morally bankrupt. I think when we look at the direction that this paper takes us, it is also intellectually bankrupt.

Canadians are looking for change. This was an opportunity to create some real change, but it was not taken. Therefore, I must submit that we will not see the kind of change Canadians are looking for until we see an election, until we see a change in government, until we see a change in the fundamental direction in which this country is going so that once again Canadians can be proud to earn a living in their own country.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, Christmas season is fast approaching. It is the time when we think of sharing some happy times with family and friends, sharing the bounties of the work that we have done throughout the year and enjoying the fruits of our labour.

This statement today reminds me of a Christmas story that I have heard since I was a little girl. I think it bears repeating here. It symbolizes the trickle-down economics that this government continues to believe in, that continues to enrich those who have the most and impoverish those who have the least.

It is the story of *The Little Match Girl*, who on a freezing Christmas Eve stood outside the rich people's house and looked inside at the fire in the fireplace, the decorations on the Christmas tree, the toys under the Christmas tree, the big fat turkey on the table, the people in all their finery and hoped just that they might come outside and pay a penny for her matches. As she stood there and waited for the rich people to come out and pay a penny for her matches, she started lighting her matches to keep her hands from freezing. Before they were finished their dinner she had burned up all her matches. Before Christmas Eve was over she had frozen to death in the snow.

This is trickle-down economics. Those who have the least get the least and get poorer and those who have the most get the most and get richer. The principle was repeated here in the minister's statement this afternoon. Those who can compete will prosper; those who cannot will stagnate.

We have a continuation of the policies that have impoverished 3.6 million Canadians, including one million children. We had a proud statement by the minister this afternoon that we will continue to invest in policies to make our economy work better.

This government has brought us the made-in-Canada recession and is telling us that its policies have made this economy work better. Tell that to 1.6 million Canadians

who are out of work. Tell that to the children who line up at food banks every day in this country.

We will continue to invest in sound monetary and fiscal policies. I do not think there is anybody but the handful of people on the other side of this House who pretend to govern this country, who believe that their monetary and fiscal policies have been sound. Certainly, it is not the people in this country who wonder if they have a job today or whether they will have a job tomorrow.

This is about scraps from the table of the rich, hopefully falling down and allowing the poor to eat. What we need is economic recovery from the ground up. Even in this, the national capital, one of the wealthiest communities in this country, we have 100,000 people on some form of public assistance or unemployment insurance. That is what is costing us $22,000 for every unemployed person in this country. Right here in the nation's capital, on the Ontario side of the capital, we have welfare up by nearly 25 per cent in the last 12 months.

We have a plan here that is not going to solve the problems of people who wonder whether they are going to have a roof over their head and a meal on the table a month from now. We have a plan here that continues the mistakes of the past, that repeats the unfulfilled promises of eight consecutive budgets that we will reduce the debt and reduce the deficit. What do we have? A steadily rising debt and a steadily rising deficit.

We have an infrastucture program here that is going to invest again in short-term make-work projects. There is no vision of investing in an infrastructure that is going to strengthen the economy of this country in the long term.

The Minister of Supply and Services sits over there. Small towns in his community cannot expand economically because they are under an environmental order not to add any further development. They have wooden sewers that go back into the last century and are not safe or sanitary. Do I see anything in here about improving the water supply for Canadians, treating the water supply of Canadians to stop polluting our rivers, lakes and oceans? Not at all. The rhetoric of Rio that came so freely from the Prime Minister's mouth less than six months ago is totally lost in our commitment of creating jobs. We see an even further cut from what has already been done in this year's budget to the green plan.

Then we turn around and we see that we paid $22 billion last year in interest to foreign lenders. That is only the tip of the iceberg. That $22 billion at a 50 per cent tax rate means $11 billion in lost tax revenue. One-third of this year's deficit is being lost because this government has not figured out how to get Canadians to invest in their own country and their own future, how to keep that money in Canada that we are paying out in interest to the tune of $22 billion a year, and how to collect income taxes on that income in Canada rather than allow foreign countries to collect income tax on money that we are paying out of the pockets of Canadian taxpayers.

I note with irony a statement on page 11 of the minister's *Economic and Fiscal Statement* this afternoon indicating that the more we can leave in people's pockets the better it will be for our economy. If the government truly believes that leaving money in people's pockets and letting people purchase goods and services that produce jobs for other Canadians is good economic policy then why is it as the largest single employer in the country, with the largest single work force, insisting on cutting the purchasing power of its own employees and insisting on further reducing jobs when it is time to encourage the private sector to create jobs?

We have a double-whammy of three years of no job increases for tens of thousands of people who are earning incomes below the poverty level working for the Government of Canada. How are they going to pay for food, clothes and education for their children?

We had cutbacks in government spending in the budget this year. We had another 2 per cent cutback in June. Now we have a 2 per cent cutback in the last quarter which is equivalent to an 8 per cent cutback in services to the public. We heard two things from Canadians during the referendum campaign. The first was to stop fiddling with the Constitution and get back to fixing the economy and the major problems that confront this country. The second thing was that they wanted a strong federal government capable of taking leadership, building partnerships and solving the problems of this country. What do we have now? We have a government that is destroying the ability of the Government of Canada to govern on behalf of Canadians.

• (2340)

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, we know that we are in a transition period from one type of economy relying on heavy industry and the exploitation of natural resources to another based on knowledge, information, high technologies and services. We know this and what we are saying to Canadians in this debate is that we would do much better in using the levers of government. We would not be obsessed with deficit cutting as the government is because first we would want to look after the social fabric of Canada. We would want to kick-start economic growth in partnership, if you like, with the provinces, municipalities, labour and business. We would probably pay attention to water quality. We would pay attention to sewage treatment plants.

We would engage resources in pollution prevention, in the rehabilitation of our rivers and the removal of health-endangering chemicals. That is where we would hopefully put our taxpayers' resources and not in mega-projects, such as tar sands or the construction of a link to Prince Edward Island. That is a very costly and divisive project. Water is a very precious resource and is badly neglected. Water would receive attention at this time by an enlightened government.

Let me tell you what we would not do. We would not fight unemployment on the backs of the unemployed by reducing benefits as the government announced it would. Believe me, it is no fun to be without income for the first two weeks and then have to make ends meet on 60 per cent of one's previous income. To reduce unemployment insurance benefits below 60 per cent is really a disgrace. If that was not bad enough, this government now wants to penalize those who quit their employment by depriving them entirely of their benefits, whether they qualified with contributions or not.

This afternoon I was shocked to see the Prime Minister applaud when the finance minister announced this measure. I was almost embarrassed. I asked myself whether the Prime Minister realized what he was doing when this measure was announced. This measure gives the employer greater power than ever. It makes it virtually impossible for the employee to quit if the employee is harassed, sexually or otherwise, in the workplace or decides that the workplace has become unsafe.

Through these measures we see the ugly face of the Conservative government. We see its heartless face that is taking away from the weak in the name of cutting the deficit. What a shame.

I will move on to the freeze on the income of parliamentarians. It seems rather curious that this is being done without looking at the size of cabinet. Why stop at parliamentarians? Would anyone in Canada have suffered if cabinet had been cut by 25 per cent, or even 50 per cent? Would anyone have noticed?

Would any Canadian have noticed the disappearance of eminent ministers such as the minister of multiculturalism, the minister of forests, the minister for constitutional affairs—who disappeared anyway from the political map after October 26—the minister of state for the environment, the minister of state for financial affairs. These are just a few.

It seems rather peculiar that this government would find the courage to inflict penalties on the unemployed but not on cabinet itself.

It seems to me that this government is retreating from governing. It is not rebuilding the economy of this country. It has axed the Economic Council of Canada, the Science Council of Canada, the Law Reform Commission, and the Institute for International Peace and Security. It has eliminated the Court Challenges Program. You name it.

In addition to that wilful action, in the private sector every day there are plant closures and people laid off by the hundreds. The social and economic costs of these lay-offs are immense, yet there are no adjustment programs.

There is no improvement in the direction for those who are laid off. There are no initiatives for those searching for their first job, for instance. There are no extensions of benefits for those who are running out of unemployment insurance benefits, thus increasing the tax burden on municipalities.

What a hard-nosed, heartless way of governing, certainly not in the name of social fairness but in the name of cutting deficits.

If this government were guided by social fairness principles, then it would have wanted, with this measure today, to close the many tax loopholes identified by the Auditor General in his report. Or it would have imposed a tax increase on those making, say, more than $50,000 a year. Or it would have eliminated some of the major tax privileges such as tax-free expense accounts. You name

it. We know and I am sure the Minister of Finance knows where to find his lost sources of revenue.

To attack the unemployed and introduce these measures really is offensive. It is very sad because it is not in the political tradition and culture of Canada in difficult times to go after the weaker elements in society. This has not been our tradition so far. I regret that.

I would have thought that in this particular time the Government of Canada would have removed this illusive pursuit of reducing the deficit, which has plagued this government and preceding governments.

At this time with high unemployment and large numbers of people on welfare, I thought it would have decided that this was the time to move by giving priority to the social fabric of the nation, to the cohesion of our communities where high unemployment has such a devastating effect. We are not giving the individual that sense of dignity, not giving Canadians in large and small communities that sense of dignity that is so badly sought in difficult times. Our youth is crying for attention in terms of their first employment. Our middle aged workforce is going through a crisis at the very moment that it is without employment. Our elderly workers are very dissatisfied with early retirement adjustment programs and tonight they have very little to be happy about, very little. We are very distressed.

• (2350)

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, it is with pleasure that I talk about this economic and fiscal statement of the Minister of Finance.

He certainly does not have an easy task. He has been appointed Minister of Finance when things are really bad so we cannot blame him personally for what is happening to this country.

As Minister of Transport, when I was still on the other side, the minister was hard working and certainly competent within this sphere.

What has happened? He has been appointed Minister of Finance and given the task to defend the previous eight years of this government. He has not addressed the fundamental problems of why in Canada we have a creeping problem of bad forecasting by the Minister of Finance. I would like to quote Jeffrey Simpson of *The Globe and Mail* on December 2 in an editorial: "It is a new singer but it is the same old song, the Red Ink Blues".

It is true. Every finance minister since the early 1970s has been making forecasts but always the wrong forecasts. The Minister of Fisheries and Oceans when he was finance minister in 1979 said that by 1985 the national annual deficit would drop to $2.1 billion, but in reality in 1985 we had a deficit of $34 billion.

Alan MacEachen said, when he became Minister of Finance in the year 1983–1984, that because of his administration the deficit would be only $7.5 billion. In reality, in the year 1983–1984 the deficit was $32 billion.

The same thing happened with Marc Lalonde, another Minister of Finance.

We know the story of the former Minister of Finance, presently the industry minister. I remember when I was in caucus and he presented his first budget, he said that after four years of his administration there would not be a deficit.

I asked him a question. I said: "Mr. Wilson, Mr. Crosbie had made predictions. Mr. MacEachen had made predictions, and you are making predictions. How can you be that sure you are going to be different?"

As I said in the beginning, we do not address the fundamental problems of the taxation system in Canada. We reward that formation but we do not reward capital formation.

This is why we read in today's edition of *The Ottawa Citizen* that the Royal Bank said that 67 per cent of its loans were not performing. This means that they are not paying what is due to the bank, and this is $3.5 billion. Of that Olympia & York and Bramalea alone owe to the Royal Bank $780 million. Those companies are bankrupt.

Who is going to pay for that? It is you, Mr. Speaker. It is other members. It is the small person, the middle class, the worker who puts a little bit of money in the bank. The bank raises interest rates and makes money to pay for Olympia & York, Bramalea and others that have borrowed and spent money outside this country buying properties in the United States and building in London, England. Our taxpayers have to pay for those mistakes.

The fundamental problems have not been addressed to reward capital formation. If companies are badly run we reward them. We reward them: they can borrow money. They can borrow money from the banks and money from the state. We give grants, but there is no reward for people who really work hard.

We are always talking about Japan, Hong Kong and Taiwan. In Taiwan the maximum tax is 16 per cent. That is a flat tax, whether one makes $1 million or $100 million, with no exemptions. Its corporations have to pay taxes like everybody. In our system the individual pays most of the taxes. Our government collects personal taxes and very little corporate taxes. Corporations are always exempted. They do not have to pay and they should be paying.

As time goes by I would like to say that the Minister of Finance in his statement does not resolve Canada's problems. He has been wrong in his forecasting. He was telling us six or seven months ago that we were not going into a recession. He could not even pronounce the word recession. After a while he said: "Yes, we are moving into a recession".

Today we are in a depression. Canada has lost 500,000 manufacturing jobs; jobs that have moved and will never come back to Canada. The government brings in the free trade agreement and now NAFTA, the North-American free trade agreement, that is going to siphon away jobs from Canada. This is not acceptable to Canadians.

The Acting Speaker (Mr. Paproski): It being twelve o'clock midnight, pursuant to the order made Tuesday, December 1, 1992, the House stands adjourned until tomorrow at ten o'clock, pursuant to Standing Order 24(1).

The House adjourned at 12 a.m.

HOUSE OF COMMONS

Thursday, December 3, 1992

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

UNEMPLOYMENT INSURANCE

PRESENTATION OF 1993 EXPENDITURE PLAN

Hon. Bernard Valcourt (Minister of Employment and Immigration): Madam Speaker, I have the honour to present the 1993 Expenditure Plan for the Unemployment Insurance Developmental Uses Program.

[*English*]

Ms. Black: I rise on a point of order, Madam Speaker. I wonder if I could inquire of the parliamentary secretary to the House leader if he could tell us when we could expect the government response to the status of women subcommittee report on breast cancer.

It is over three weeks late now. There are women who are waiting anxiously to hear what the government action will be in terms of that report and its 49 recommendations.

Mr. Edwards: Madam Speaker, I take my hon. friend's question seriously. I will make the appropriate inquiries and endeavour to get back to her as soon as is practically possible.

Mr. Edmonston: Madam Speaker, I rise on the same point of order dealing with late reports. Two reports of another committee, the consumer and corporate affairs committee, are also late, approximately one month late. One deals with trademarks and the other deals with consumer protection and credit card interest rates.

If my hon. colleague would take cognizance of our demand as well we would appreciate it.

Mr. Edwards: Madam Speaker, with reference to the two reports mentioned I think I can indicate to my friend that they will be forthcoming before we rise.

* * *

[*Translation*]

NATIONAL DEFENCE AND VETERANS AFFAIRS

PRESENTATION OF THIRD REPORT OF COMMITTEE

Mr. Marc Ferland (Portneuf): Madam Speaker, this morning I wish to present the third report of the Standing Committee on National Defence and Veterans Affairs.

This is the committee's response to the report of the minister's Advisory Group on Defence Infrastructure. I am tabling this report on behalf of committee chairman Arnold Malone.

* * *

[*English*]

AGRICULTURE

THIRD REPORT OF STANDING COMMITTEE

Mr. Bob Porter (Medicine Hat): Madam Speaker, on behalf of the chairman of the standing committee I have the honour to present, in both official languages, the third report of the Standing Committee on Agriculture.

This report examines the application of the list of tax-free farm items under the GST with a view to expanding its parameters.

Notwithstanding Standing Order 109 the committee recommends that the Minister of Finance respond to this report by February 1, 1993.

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

• (1010)

CRIMINAL CODE

MEASURE TO AMEND

Mr. John Reimer (Kitchener) moved for leave to introduce Bill C-380, an act to amend the Criminal Code (firearms).

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Reimer: Madam Speaker, the purpose of this bill is to send a powerful message of deterrence to anyone thinking of taking a gun along on the commission of a crime.

This bill would significantly toughen section 85 of the Criminal Code, the section which makes it an offence to use a firearm while committing a crime. The minimum mandatory sentence would be increased from one year to five years for first offence and three years to eight years for any subsequent offence.

Under this bill there would be no eligibility for parole during that five or eight year period. The bill would also specifically prevent a mandatory sentence from having any impact on the sentence imposed for the other offence committed.

The bill specifically requires the written consent of the provincial attorney general before any section 85 charge could be withdrawn or plea bargained away.

The idea is not new. It was proposed by the former Prime Minister of Canada, the Right Hon. John G. Diefenbaker. It is also supported by police chiefs right across Canada and by the Canadian Police Association.

Madam Deputy Speaker: Mr. Reimer moves that the bill be now read the first time and printed.

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

Bill read the first time and printed.

* * *

PETITIONS

BILL C-268

Mr. Nelson A. Riis (Kamloops): Madam Speaker, it is an honour to present a number of petitions today from Northwest Territories, Yukon, Ontario, Quebec, Manitoba, Saskatchewan, Alberta and British Columbia.

The petitioners say that they are residents of Canada and they wish to designate a day for the recognition of Canada's original inhabitants, to honour our native cultures, and that June 21 is the most appropriate day to recognize these First Nations.

Therefore they are calling upon Parliament to enact Bill C-268, an act respecting a national solidarity day for the First Nations of Canada.

FRESHWATER EXPORTS

Mr. Nelson A. Riis (Kamloops): Madam Speaker, on another topic, again the petitioners are by and large from British Columbia.

They point out their opposition to any notion of selling water to the United States and Mexico as a result of the North American free trade agreement.

They are asking the Government of Canada to state categorically through legislation that our rivers are not for sale.

[*Translation*]

VIOLENCE ON TELEVISION

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, I would like to table a petition from residents of Val-d'Or, Amos, Vassan, Sullivan, Val-Senneville and Saint-Edmond-d'Abitibi, stating that films depicting violence on television are dangerous and unacceptable because they encourage further violence.

They also point out that all toys that are an incentive to violent games are unacceptable and that production of such toys should be banned. Freedom of the press should be restricted when reporting acts of violence. The repeated reporting of acts of violence on all television channels and on radio may encourage similar acts of violence.

Wherefore your petitioners humbly pray and call upon Parliament to pass legislation dealing with the above, to wipe out violence in our society, protect our children and guarantee everyone in this country a better quality of life.

[*English*]

KILLER CARDS

Mr. Bill Kempling (Burlington): Madam Speaker, under Standing Order 36 I have the honour to present

175 duly certified petitions containing 51,000 signatures of citizens from Burlington, Hamilton, Ancaster, Dundas, Stoney Creek, Milton, Oakville, eastern Ontario, the Niagara Peninsula, and western Ontario.

The petitioners support Mrs. Debbie Mahaffy in her efforts to have the importation of killer cards into Canada stopped and note with concern that three more manufactures of killer cards are in production. They applaud the efforts of the Minister of National Revenue for his action and his statements of support.

The petitioners request Parliament to amend the law to prohibit the importation, distribution, sale and manufacture of killer cards.

RU-486

Mr. Derek Blackburn (Brant): Madam Speaker, I have the privilege under Standing Order 36 to present a petition signed mainly by residents of my constituency with respect to the drug RU-486.

CRIMES OF VIOLENCE

Ms. Beth Phinney (Hamilton Mountain): Madam Speaker, I have many thousands of signatures on petitions. These signatures are supporting the over 600,000 signatures that we already have. All these signatories are supporting the parents of Nina de Villiers.

They feel that there are serious deficiencies in the criminal justice system. There are many vulnerable persons who have little protection under the current system. Women, children and disabled persons are at particular risk.

They ask that Parliament recognize that crimes of violence against the person are serious and abhorrent to society. They also ask the government to amend the Criminal Code of Canada, the Bail Reform Act, 1972, and the Parole Act accordingly.

THREE GORGES DAM

Mr. Murray Cardiff (Huron—Bruce): Madam Speaker, I have two petitions to present. The first petition is from a group of people in Goderich and surrounding area.

They ask that Parliament pass the necessary legislation to prevent any further involvement by the Government of Canada in the Three Gorges dam project in China.

CANADIAN UNITY

Mr. Murray Cardiff (Huron—Bruce): Madam Speaker, the second petition is from the Port Elgin—Southampton area.

These petitioners are asking us to think of being proud Canadians, to enter into a project that would give us an opportunity to nurture our positive life-long relationship with our heritage and our flag, to encourage stronger ties among all Canadians for the further advancement of Canada as a leader in world circles, and to promote our tremendous pride in being Canadians.

YOUNG OFFENDERS ACT

Mr. Bob Porter (Medicine Hat): Madam Speaker, this petition represents the signatures of approximately 16,000 of my constituents.

It calls for the Government of Canada to revise the Young Offenders Act to allow for a clear definition of the powers and procedures of investigating authorities in respect to their duties in questioning young offenders, to supply a remedy to give more protection to the public against repeated and serious crimes committed by young offenders and to raise the offenders to adult court automatically.

These signatures were collected by one constituent, Mr. Bill Swanson. They are indicative of the grave concern in the public domain over the present act governing young offenders.

BILL C-268

Mr. Steven W. Langdon (Essex—Windsor): Madam Speaker, I have a petition which I would like to present from various people across the country. They call upon the House of Commons because Canadians wish to designate a day of recognition for Canada's original inhabitants so as to honour native cultures. They suggest that June 21 be named as an appropriate day to recognize our First Nations.

They therefore ask that the House of Commons enact Bill C-268, an act respecting a national solidarity day for the First Nations of Canada.

QUESTIONS ON THE ORDER PAPER

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I would ask that all questions be allowed to stand.

Madam Deputy Speaker: Shall all questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

BORROWING AUTHORITY ACT, 1992-93 (NO. 2)

MEASURE TO ENACT

The House resumed from Wednesday, December 2, consideration of the motion of Mr. Mazankowski that Bill C-98, an act to provide additional borrowing authority for the fiscal year beginning on April 1, 1992, be read the second time and referred to a legislative committee in the Economics envelope.

Mr. Edwards: Madam Speaker, I rise on a point of order. I would ask for the indulgence of the House to see whether there would be unanimous consent to permit the hon. Minister of Employment and Immigration to speak for 20 minutes, with the understanding of course that the speakers following him for the New Democratic Party and the Liberal Party would have the same privilege extended to them.

• (1020)

Mr. Riis: Madam Speaker, there are many issues in the economic statement we heard yesterday but one of the most critical issues concerns the changes to unemployment insurance.

The minister is here this morning and it is important that we hear him. Perhaps at the end of his 20-minute presentation we might even have a chance to ask a question or two if he would permit that. If there is a sleeper in this whole issue, it has to be the provisions surrounding the changes to the Unemployment Insurance Act.

On behalf of the New Democratic Party, we would like to give the minister that opportunity and again to have a chance to ask a question or two at the end of his presentation.

Mr. Nowlan: Madam Speaker, I saw the parliamentary secretary to the government House leader converse with some of the other House leaders. I thought this was going to be the request and I wish he had spoken to me.

Obviously we want to hear what the minister of immigration and unemployment insurance says because that is one of the many facets in that statement last night.

I will give my consent on the condition that I talk to the parliamentary secretary to the government House leader. I intend to stay here and put my time in, but I am not going to give my consent unless I can work out an arrangement with the government House leader and the other House leaders that I can get on in some reasonable time. I understand the status of independent members, but this is one of the little things that we have left in these reformed rules.

In view of the interest all over the country to the statement last night I will give my consent because I do want to hear the minister.

I am prepared to sit here until 12 o'clock tonight and I am going to itemize every speaker. If the Chair is using some type of magic that is only referring to members from recognized parties, then at some time later today I am going to rise and cause a little procedural problem.

That might be eliminated if I can get the consent of the parliamentary secretary to the government House leader that he and I can work out when I may have some idea to be recognized by the Chair in a rotation. If I have that from him now in the House I will give my consent.

Mr. Edwards: Madam Speaker, I am sure we would not want to set a precedent for negotiating or bargaining on the floor of the House. I do not want to do that.

I am always prepared to talk to my friend from Annapolis Valley—Hants. I will of course converse with him today, but I believe it is the Speaker's discretion that decides the order of participants in the debate.

Madam Deputy Speaker: I was about to ask of the loyal opposition if there was unanimous consent.

Mr. Milliken: Ask the full House.

Madam Deputy Speaker: The hon. member for Kingston and the Islands says I should ask the full House. The only reason I said I would be asking the hon. member representing the opposition was that there seemed to be consent from the government side and from the members of the New Democratic Party so I was coming to the loyal opposition and to the independents. I think this is only a fair way to look at it.

Maybe I should have put the question to the House but people rose on points of order before I had a chance to put the question to the House.

As far as the hon. member for Annapolis Valley—Hants is concerned, yes, it is the Speaker's privilege and normally independent members are recognized. I do not see why at 10 o'clock in the morning he would already be worried that he has not been recognized. Nobody has been recognized yet today.

I understand there is not unanimous consent to give the extra time to the Minister of Employment of Immigration. I will recognize him for the 10 minutes.

[*Translation*]

Hon. Bernard Valcourt (Minister of Employment and Immigration): Madam Speaker, first of all, I am not surprised to see Liberal members trying to prevent us from explaining to Canadians.

This is just one more instance of their lack of courtesy toward the person who has the floor. It is typical of the Liberals, and I suppose they just want to show how little they care about the problems facing Canadians today.

[*English*]

It is typical of the Liberal Party. Put your head in the sand and continue. Canadians value very much that kind of attitude.

Madam Speaker, could we have order in the House?

[*Translation*]

Could we have some order in the House? I realize the Liberal Party is anxious to hide the facts from Canadians.

[*English*]

Over many years this Chamber has been no stranger to hot and heavy debates on economic issues, especially on the numerous occasions over the last 30 years or more when the world was in a recession or, as it is today, emerging from the global downturn.

Those in this House who have lived through the many cycles of our economy since the downturn of the early 1960s and on, or those who have studied our economic history know better than most that there are two certainties.

First, recessions will come, but recessions will most assuredly pass. Each downturn in the economy will often be greeted as if it were the first in history, a sudden apparition demanding to be cleanly and surgically removed, never to return again.

Second, as we emerge from a downturn we each must resist the siren song which would delude us into believing that quick fixes will remove the pain, creating illusions of growth. The only responsible and enduring policy response which is effective is to manage our national economy as if it were our very own personal economy.

Those who have been around here for a while know full well that regardless of the heat of the debate or the degree of the righteous indignation expressed at any moment, and certainly the walls of this Chamber have heard it all before, there have been precious few governments before that focus on the fundamental principles so consistently to serve the long-term interests of all Canadians.

In the aftermath of yesterday's statement by my colleague, the Minister of Finance, the opposition parties would like to underline their perceptions and what they want Canadians to perceive for cheap political reasons.

I see that in the NDP member there. Those who have a corner on virtue, the socialist magpies there, will they stand up and ask the president of the New Democratic Party to withdraw and retract her untrue statements to Canadians yesterday that the changes mean that sexually harassed women in Canada no longer get protection under the UI act?

That was the statement of the president of their party. It is an untrue statement and it is one which I expect the righteous, truthful, honest, socialists to demand that their president withdraw and retract because it is a falsehood to Canadian women. I hope that they do it.

• (1030)

The announcement made yesterday showed clearly that this government has made human resource development the top priority of the economic policy of this government.

In answer to the tens of thousands of Canadians from all regions of Canada who have participated in the community talks under the prosperity initiatives, yes, those members over on the other side, their absence was noted at those community talks with the the real people, the workers, the bosses, the employers, the educators. The message from coast to coast to coast was the same: Invest in human resources because this is the key to our development.

No one has heard any of those great members over on the other side underlining the fact that the cuts announced yesterday by the Minister of Finance were necessary. We know it is not nice to cut programs, but we had no choice. We as a country and we as a people must pay our way.

[*Translation*]

Why should newborn babies in this country not have the right to start with a clean slate like anybody else? Unfortunately, from day one they are stuck with a debt they will carry with them for the rest of their lives. Today, in a consistent and coherent manner, thanks to the Labour Force Development Board—

[*English*]

—we have made investment in people a top priority.

What about those displaced workers? Those members on the other side who pretend to care, why do they not look at the strong measures taken in the statement by the government yesterday to invest in people?

A special $300 million program will be targeted to long-term employed people who are permanently displaced because of restructuring. They will have special counselling and special enhancement training programs tailor-made to their needs. There are over 100,000 Canadians with long-time attachment to work who will benefit from this measure.

[*Translation*]

For instance, what about the decision to freeze employer premiums for small businesses? It is a fact that the contribution of small business to the Canadian economy is very substantial, and this positive measure will inject almost $500 million more into our economy to create jobs. Of course, they would rather not mention that measure because it is a positive one.

What really makes me sick, if you will pardon the expression, is the way they seem to use other people's misery to score political points.

Some hon. members: Oh, oh.

Mr. Valcourt: For the sake of scoring minor political points with other people's misery, they object to the responsible measures the government is introducing in order to invest in human resources and get employers and unions to work together to meet the challenges facing every industrialized country on this planet.

These people seem to think that Canada is a self-contained unit, a small island isolated from the rest of the world, where we can ignore the realities of a global economy. So what happens to 70 per cent of our production? We are an exporting country, and the key to Canada's economic success is a highly trained work force.

[*English*]

Those measures in there are taken in a revolutionary way. This measure, this central partnership initiative, and history will record it, I predict to you, will change forever the way we do business in Canada. Oh yes, I see the strange faces on the other side.

This government has fostered partnership. It has brought special equity groups, the labour movement and the business sector together at one table called the Labour Force Development Board, to put forward measures to help Canadians face the challenge of human resource development.

No one will talk about the great program my colleague, the Minister of Finance, announced yesterday and which I call the program to prevent unemployment.

For the first time in a major way—I know I am being cut by time and of course Liberals do not want Canadians to get the good news. Canadians will still get the good news because, fortunately for Canada, it is not only this

place that we can use to bring the message to Canadians. We shall bring it because it is a message that Canadians must understand and must get in order to get Canada growing again, which I know will be a political disadvantage for these cheap politically-minded people.

Mr. Edwards: Madam Speaker, I rise to see if there would be unanimous consent for the hon. minister to continue for another 10 minutes, with the understanding that the Liberals and the New Democrats would have a parallel opportunity for each of their speakers who would follow.

Madam Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

Madam Deputy Speaker: Consent has not been given.

Mr. John Brewin (Victoria): Madam Speaker, I had been inclined to give the hon. minister consent before the speech began but it was a sorry, disgraceful display which demonstrates why this government is in such trouble and why the people of Canada are in trouble.

That was an incredibly bad speech from a minister who owed a duty to the millions of Canadians who are going to suffer as a result of the statement made yesterday and the legislation that this government proposes to introduce. He owes the duty—are you going to interrupt me?

Madam Deputy Speaker: If I may answer the question of the hon. member for Victoria. Yes, the hon. member for Essex—Windsor has been seeking the floor on a point of order I imagine.

Mr. Langdon: Madam Speaker, I just wanted to ask the Speaker if there is not a 10-minute question and answer period after the minister's speech.

Madam Deputy Speaker: We have gone past the first five hours of debate. Now it is strictly 10-minute speeches with no period of questions and comments. The hon. member might want to look on the Projected Order of Business. It is written in black and white.

[*Translation*]

Mr. Edmonston: Madam Speaker, the House was just asked for unanimous consent so that an independent member could speak. I think that what the minister had to say is also important. Could we not agree unanimously to let the minister finish his speech and we could then ask questions?

Madam Deputy Speaker: The question was raised. It took unanimous consent to change the rule that at this point in the debate, after five hours of debate, there are only 10-minute periods that are not followed by 10 or 5 minutes for questions and comments, only 10-minute speeches.

Unanimous consent was sought to let the minister speak for 20 minutes instead of 10, and some wanted it to be followed with a question period. But the House did not give unanimous consent. Therefore we return automatically to the Standing Order which says that only 10-minute speeches are acceptable, unless at some point the House agrees unanimously to change it.

[*English*]

Mr. Brewin: Madam Speaker, in the past few months Canadians have made it absolutely clear that they are looking to this government and to all members of Parliament for some real leadership on the issue of jobs and the economy. I made a survey in my riding of all of the households in Victoria. We got a tremendous response from the people of Victoria to that householder. It became very clear again that the people of Victoria, and I know this is typical of all communities in Canada, want top priority given to achieving full employment in Canada within a reasonable period of time. By a 73 per cent majority, the respondents said the federal government has to work toward a goal of full employment.

• (1040)

They want working people and their unions to have a more active role in administering and designing training needs. They feel very strongly that the North American free trade agreement will do little to increase employment in Canada. In fact, 70 per cent believe it will increase unemployment in this country.

What is true in Victoria is true across this country. The reaction of the people of Canada as they begin to absorb the statement made yesterday by the Minister of Finance will be deep disappointment and, indeed, anger everywhere, except in the boardrooms of the financial institutions of this country. There is anger at the arrogance, complacency, meanness and incompetence of this government in the area of the economy.

In Victoria the public service cutbacks and wage freeze will slow down the recovery that had begun to take place and will impose new burdens on people who can ill afford it. The tragedy is that the approach the Minister of Finance took yesterday and this government has taken over the last number of years is economically unnecessary. In fact, the Conservative policy is really not an economic policy, it is a choice which is driven by ideology and upper middle class complacency about the state of affairs in this country.

The member for Ontario across the way laughs at that. There are 1.6 million Canadians who are out of work. This is not simply the result of the policies of this government, and we on all sides should understand and concede that. It is in part because of the global recession. However, it is also in part because of the policies of this government and the underlying weaknesses in the Canadian economy.

The real people in Canada are the ones who will be hurt by the statement made yesterday by the Minister of Finance. This government had choices. By cutting the unemployment insurance benefits to try to save some money with this budget, the government is imposing a new hardship on those who will be going through the trauma of unemployment, often for the first time. People will have to look at trying to survive at the poverty line, which is what most people have to do on UI.

The government will be imposing this economic problem at a time when it has already previously imposed further delays in UI and unconscionable problems in the delivery of the UI system, problems which all members of Parliament become familiar with through the case work and constituency work they do.

Further, and this I think is the most venal provision in the statement made yesterday, the withdrawal of UI from those who quit or are terminated, apparently for cause, is completely fraught with difficulty and will produce these results. First, there will be terrible pressures imposed on those on the front line in Canada Employment Centres who have to make the initial decision as to whether the party is entitled to UI or not. It will produce a huge increase in appeals. It will encourage lying and cheating by either employers or employees who are seeking unemployment insurance and have no ready alternatives. It will produce new pressures on social assistance and on welfare, yet another pass-through of this government's financial problems on to the provinces and municipalities across Canada. It will add stress to the lives of those who are already under stress as a result of the termination of their employment.

The minister of unemployment, as he was called at one point by my hon. friend from Annapolis Valley—Hants, took after my leader for suggesting that those who are sexually harassed would now lose employment. It should be absolutely understood, and I would have thought members opposite would understand, how the reality is going to take place.

When an employee suffers sexual harassment, as has been documented in case after case after case, it takes an enormous amount of courage to step forward and call the employer or the third party who is engaged in the sexual harassment. There will be case after case where people quit because they cannot stand the sexual harassment but are still afraid to raise the issue, or having raised it, cannot prove it within the time available before some official in UI.

While the minister is technically correct, that termination because of sexual harassment would entitle the individual to unemployment insurance, the minister fails to understand in I think a complacent and arrogant way, and so do the members opposite who will be supporting this legislation, that the reality will not permit that to be said and done and properly and fairly judged.

In fact, there is no reasonable system in place even to judge whether the sexual harassment has occurred or not. The reality is going to be that there will be hundreds of thousands of women who will lose their jobs because of sexual harassment and who will now not for practical purposes be entitled to unemployment insurance, again imposing this government's rigid ideology on the weaker members of our society.

The changes in the UI provisions in respect of quitting or termination also break a contractual commitment that this Parliament has essentially made to those who have contributed to UI over the years, an understanding of the basis of their commitment.

This originally started as an unemployment insurance program and thus had the elements of a commitment between this Parliament and the people who were

making payments. For the government to retroactively change that, albeit it will not apply to claims presently in progress, but those who have been contributing over the years and have a new claim, will now find it governed by changes of rules imposed retroactively by the government.

I said the tragedy is that this is not economically necessary. *The Globe and Mail* in an editorial yesterday gave the government three options: holding the line, modest cuts or deep cuts. This editorial points out very clearly that within a reasonable period of time, by simply holding the line on spending, but not deep cuts in public spending, the government could achieve the objective of reducing the deficit.

I would like to add that if the government would also take its responsibilities in the area of defence and policing defence expenditures seriously, including ending this ridiculous expenditure of $4.4 billion on helicopters, but in addition imposes a rigorous policing of expenditures, it could save the Canadian taxpayers billions of dollars and accelerate the reduction of the deficit which we all want.

This was a mean-spirited and difficult statement made by the Minister of Finance. I call upon the people of Canada to rise up and require and force the government to change the direction it has gone in the time that it has left in office, a brief time.

• (1050)

[*Translation*]

Mr. Pierre H. Vincent (Parliamentary Secretary to Deputy Prime Minister and Minister of Finance): Madam Speaker, it is a pleasure and an honour for me this morning to speak on a document and a speech made by the Minister of Finance yesterday. To begin, let me emphasize the presence of the Minister of Finance who in his speech yesterday said to the opposition, "I am making my speech. I await your comments and your suggestions. I have a budget coming in March and I am waiting for you to give me your comments and suggestions in a non-partisan way for the good of Canada". That is what the Minister of Finance said yesterday in this House.

The Minister of Finance made his speech at 3.15 p.m. He was here in this House from 3.15 to midnight when the House adjourned. He was here to listen to the opposition's suggestions and I commend him for that. We know the work and the importance of the department he leads. As well as being Deputy Prime Minister, he took the time and he is still taking the time today to be here to listen to suggestions.

At midnight I was talking with him and unfortunately we came to the conclusion that no one on the other side of the House up to midnight had made a suggestion for the good of Canada, not 25 suggestions, but one valid suggestion for the good of Canada.

I was interviewed by the media in Trois-Rivières a few minutes ago and they told me that everyone was criticizing this morning and the opposition was critical of us. I said to them, "Yes, but what suggestions or ideas has the opposition put forward?" It is easy to criticize; just about anybody can do it. You do not even have to be an opposition member. But the Minister of Finance is the one who has proposed interesting, intelligent and practical solutions to ensure the well-being of our country.

Allow me to go over the speech made yesterday by the minister. You will hear people criticize from the point of view of small business, and you have heard various comments on that by different people. The Minister of Finance also heard these comments and yesterday he took action to help small-business people.

The Minister of Finance listened to Canadians because he knows that 80 per cent of all jobs in Canada are created by the small business sector. I hope that the opposition will also listen to Canadians. Madam Speaker, the support for small businesses is significant. This help is important to Canada's economic activity.

The minister did not mention any increase in unemployment insurance premiums for small businesses next year. He actually went further than that. Indeed, any small business which will be created in 1993, or that did not exist in 1992, and which will increase the number of its employees in 1993, will incur no additional UI premium costs, which translates into a subsidy of about $1,600 per employee for the year. Madam Speaker, I did not hear a lot of complaints about this measure. It is a good measure so people do not criticize it. But I did not hear many people from the other side congratulate the minister either, Madam Speaker. I did not hear them congratulate him even once.

Madam Speaker, he introduced a 10 per cent investment tax credit. Once again, the buyer of any new machinery or equipment will be entitled to that credit.

That is important. It often provides whatever little help the small business needed to upgrade its equipment, its machinery, but was somewhat reluctant to buy. Now they have this additional 10 percent tax credit.

The Small Businesses Loans Act had been mentioned, and the minister made an effort in that area in his 1992 budget and again yesterday, raising the ceiling to $250,000. That is great news for the people in the riding of Trois-Rivières. They are many who have taken advantage of this particular act and I am convinced there will be even more following this further increase.

In addition, from now on, employees will be allowed to use their RRSPs to buy shares. That too is important and is in keeping with the private enterprise concept this government has put forward and has been trying to pursue for eight years now, the principle that jobs are created by the private sector in this country. Let us stop entertaining the belief that spending astronomical amounts can help. The Liberals did just that during three or four months in 1981-1982 without any specific direction regarding employment nor any kind of rhyme or reason for such spending. They called that job creation programs where people would do construction, repairs or paint jobs, just about anything for four months, just to find themselves back on unemployment at the end of these four months. Billions were spent on that, billions that are now painfully lacking and form the monstrous debt we inherited back in 1984 and that we also have to pay interest on. In spite of this heritage from the Liberals, the Minister of Finance managed to announce positive measures to support the Canadian economy and that of Quebec.

He has extended the home buyers' plan. Why? Again, because he has been listening to the Canadian people. He introduced this project and it has produced very positive results. As Minister of Finance he had choices to make. Again he has chosen to listen to the Canadian people. He must be given credit for that.

The issue of the two-year wage freeze will certainly be raised. It is never very exciting to announce a wage freeze or a 3 per cent cut in government spending and throughout departments. And it is not very exciting either to tell all government agencies except a few that they will get a 10 per cent cut over two years. But a minister or a government who want to act responsibly have to look after our future. And they also have to live with the legacy left to them.

Opposition parties will spend the whole day repeating that the finance minister did not get his budget projections right. I should like to remind you, Madam Speaker, that the IMF and the OECD were also wrong in their projections for 1992. The banks did not fare any better. All economists failed in their projections, because the economic situation changed not only in Canada but also in the whole world so that all the figures were altered. That is why everybody failed to gauge the real state of the economy. If you compare with all those fine experts, Madam Speaker, you will realize that our finance minister is not any worse. He was not that far off the mark but, just like everybody else, he has to take the international situation into account.

• (1100)

I still have a lot to say, Madam Speaker, but unfortunately, I see you are indicating that my time is almost up. To conclude, all I am asking of the opposition in this second day of debate is that they at least put forward suggestions and ideas for the well-being of Canada.

[*English*]

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Madam Speaker, I cannot say that I am pleased to be participating in this budget debate today. The debate is born out of a profound sense of disappointment for many members of Parliament, a profound sense of frustration and of anger that today rather than debating an economic plan that would begin the process of restoring confidence in Canada's economy in putting the unemployed back to work; instead, we are forced to examine a document that is bereft of any imagination, bereft of any confidence, bereft of any compassion, bereft of any ideas about how to put this country, Canada, with all of its potential, back on the road to prosperity.

Perhaps it is not ironic that the Minister of Finance comes from the great province of Alberta. Albertans have expertise in a great many areas and one of the areas in which they have expertise is in the whole question of fossils; indeed, Alberta can be said to be the fossil centre of this country. This economic statement, this budget—because that is what it is—really is the work of a dinosaur, of a political party about to disappear from the face of Canada. Like a dinosaur that knows it is dying, this dinosaur with this document is attempting to leave its fossilized footprints behind long after it is gone.

We had a Conservative Party that had two choices, a party that confronted two paths, a party that has been in power for the last eight years. One path represented change, an acknowledgement that the course that has been followed for the last eight years has not produced prosperity in this country, an acknowledgement that Canada needed a change in its current fiscal and monetary course. That was one path.

The other path was the path of stubbornness, the path of pig-headedness, the path that said: "We shall never surrender before our blind ideological beliefs; we shall never admit we were wrong; and we would rather go down and disappear politically off the face of Canada rather than admit that we have led Canada to a course of ruin and destruction economically".

The minister chose the latter course. He is like the doctor who tired of fighting the disease that laid his patients low in the hospital ward, turned away from fighting the disease and began to kill off the patients. He is the Minister of Finance who refused to declare war on unemployment but instead declared war on the unemployed. He is the Minister of Finance who refused to declare war on poverty but instead attacks those who are poorest among us. Because, Madam Speaker, when you wipe away and swish away all the smoke, get rid of all the mirrors in this budget document, and it is a budget, right from its initial inception it is deceptive. It is not a mini-statement. It is not an economic statement. It is a full budget.

What do we have? We have over three fiscal years projected by this Minister of Finance $8 billion—count them—in the words of Joey Smallwood, not $1, not $2, not $5, not $7, but $8 billion dollars in cuts, and over the same corresponding period of time we have less than $2.2 billion in stimulation.

You do not have to be a genius to know that if you cut $8 billion and you only spend $2 billion in the grip of a recession, you are taking away, you are hauling out, you are draining away, you are pumping from the body politic, the body economic structure of this country, $6 billion at a time when the nation is in the grip of a recession.

That is bad enough, but who are those billions being taken from? Which Canadians are going to pay? Are the large, multinational Canadian corporations, who the Auditor General just said last week are sheltering their profits in the Bahamas in offshore companies, going to pay? The Auditor General told this Minister of Finance that large, Canadian corporations are hiding their profits in the Bahamas. They are using loopholes to avoid taxes on billions. Does the Minister of Finance collect the few billions he raises or the cuts from those people? No, there is not a measure in this budget to take $1 in tax out of the pockets of those who are experts in avoiding paying their taxes.

Does this budget document take one dollar or one dime out of the richest 1 per cent or 2 per cent that avoid paying tax? Not a single dime.

Who does it take money from? We look to the minister's own budget statement, page 15, *Economic and Fiscal Statement*. The minister announced in a grand fashion that the wages of members of Parliament will be frozen, he says with a stiff upper lip. We have all had our wages frozen. Ministers of the Crown have had their wages frozen. Oh, what good soldiers are we in the face of a recession. We have frozen our wages. Are we not brave?

However, what have we done to the unemployed? We have taken $2.5 billion out of the pockets of the unemployed. We have not frozen the wages of the unemployed. We have not told them they would not get a raise. We have not treated the unemployed the way we have treated members of Parliament, frozen their wages. We have cut their wages. We have said that they will go from 60 per cent to 57 per cent of their former salaries.

What more cowardly measure ever in the history of this place has been introduced by a Minister of Finance? A minister would say it is simply good enough to freeze the salaries of members of Parliament but appropriate to cut the salaries of those who have least among us.

This budget lacks not only imagination, lacks not only an acknowledgement of reality, but it lacks compassion. It is the work of a tired government, an old government, a government that knows not where to go and not where to turn.

The unemployed the minister has chosen to attack, those who live in poverty that the minister has chosen to attack, who are they? They are the urban poor whose life is a job ghetto, bounced around from one low-paying job to another. They are the rural poor whose lives have been the cycle of seasonal employment, whose livelihood depends upon the forestry if it is healthy, the mining sector if it is functioning, the fishery if there are fish, and the agricultural sector if our farmers can sell around the world. Those are the people who are targeted.

An hon. member: Families with children.

Mr. Tobin: Families with children. Those are the people who are targeted to be bounced off the unemployment insurance program.

Do not buy for one second this line by the minister that only bad people who get themselves fired are going to be hurt and only those lazy people who quit these good paying jobs that are out there are going to be hurt and if anybody who is decent, fair or honest finds they have been treated badly we will have an appeal process and we will look after them. Nobody is going to be hurt.

How can the minister say that when next year alone he has already budgeted nearly $1 billion in cuts. That money has to be found. The year after another $1.5 billion in cuts. Where are these people going to go? Are they going to disappear or vaporize off the face of the earth? Are they going to be beamed up off the planet by the starship *Enterprise*, never to be seen or heard from again? No, they are going to go down to the local welfare office.

The Government of Canada by sleight of hand has transferred $2.5 billion worth of the cost out of the federal coffers and on to the backs of hard-pressed provincial governments.

• (1110)

Which governments will bear the largest burden? Those governments whose economy is in the greatest crisis, the Government of Newfoundland, the Government of Saskatchewan, the Government of Manitoba, and, yes, the Government of Ontario. Those are the governments that will have the burden of bearing this transfer of poverty out of federal coffers to provincial coffers.

I want to say to my friend, the Minister of Finance, that I understand this government is tired. I understand he is tired. I understand that perhaps this is the best that can be squeezed out of the collective brain power of that tired troop across the way.

However, I know there remains just a shred of integrity and dignity and a modicum of courage on the benches opposite. I know my friend, the Minister of Finance, and this is the best he can do with the crowd he sits with. I know he will do the honourable thing and put this package to the people of Canada in a national referendum called an election. Let the people of Canada say yes or no to this economic prescription for a country that is in crisis.

[*Translation*]

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Madam Speaker, I could hardly wait to take part this morning in the debate on the economic statement made by the hon. Minister of Finance in this House yesterday.

I would say without hesitation that the statement by the hon. Minister of Finance is really a big step toward economic recovery in Canada.

Yesterday, the Minister of Finance suggested two options to the Canadian people. The first one favours an economic recovery based on the participation of the private sector and strongly supported by various interventions aimed at stimulating investment and job creation. The second one clearly indicates this government's commitment to the continued reduction of government spending.

That is a clear message which shows Canadians the objectives that our government has been pursuing from the start. I think it is important to refer to the comments made by the Minister of Finance in the introduction to the economic statement tabled in the House yesterday. I will quote directly from the statement made by the Minister yesterday.

> Our economic policy is to build confidence, enhance growth, create jobs, and help Canadians adjust to this period of transition and take advantage of new opportunities.
>
> All of our efforts have been directed at investing in growth through sound monetary and fiscal policies, the opening up of markets, streamlining government, building the skills of Canadians, and encouraging private sector enterprise and initiative as the basis for economic progress.

That is why the series of measures announced in the economic and fiscal statement, particularly with regards to small businesses, represent one aspect, one of the major elements that will contribute to our reaching our objectives. That is why I will talk during the next few minutes, about these important measures proposed in the economic and fiscal statement for Canadian small businesses.

I would like to remind you that small businesses play a major role in the Canadian economy at two fundamental levels, employment and investment.

Businesses with 50 employees or fewer represent 95 per cent of all Canadian businesses and account for about 45 per cent of private sector employment. During the last few years, they have been responsible for most of the job creation, that is more than 2 million new jobs. Furthermore, small businesses account for nearly half of the private sector investments during the same period.

I would also like to stress the fact that the current fiscal regime for small businesses recognizes the importance of that sector's contribution to the Canadian economy.

Madam Speaker, here are a few examples illustrating this point. First of all Canadian small businesses enjoy a special deduction bringing down their federal income tax rate from 28.8 to 12.8 per cent. In the United States small businesses pay much higher taxes, with federal rates ranging from 15 to 39 per cent for the same income bracket.

Second, the lifetime capital gains exemption provides an incentive for individuals to invest in small businesses. Capital gains resulting from the disposition of qualified small business shares are eligible for a $500,000 exemption. In addition, only 75 per cent of capital gains over and above the exemption are subject to income tax. Also, small businesses qualify for the most generous incentives for research and development in all of the G-7 countries.

On the other hand, small businesses are presently subject to strong financial and competitive pressures, and these are largely due to the need for federal and provincial governments to better co-ordinate their efforts whether when dealing with the GST or other taxes, with public spending or with establishing regulations. In other words, despite the benefits of the present taxation system, several small businesses consider that, overall, the tax and regulatory context south of the border is more inviting.

To help change and improve that situation yesterday's economic statement has put in place, or rather suggests to put in place, the components of a program to help the small business sector develop and create yet more jobs. I would like to list a few of these components, Madam Speaker.

The statement provides that most small businesses increasing employment next year will be able to do so with no increase in unemployment insurance premiums. Any new business whose employer share of UI premiums was less than $60,000 in 1992 will be eligible for a benefit under this program.

This means that for most small businesses, UI premium costs will be capped at their 1992 level. Similarly, most new businesses starting up in 1993 will pay no UI premiums in that year. This assistance will reduce the cost of additional employees by up to $1,600 each.

We also want to encourage investment. As an incentive for small businesses to accelerate investment spending, a 10 per cent investment tax credit for small business will apply, for one year, to investments in machinery and equipment for small businesses engaged in manufacturing, construction, farming, fishing, mining, oil and gas and long-haul transportation. These are very active sectors of our economy, Madam Speaker, with a very substantial potential for expansion and job creation. The credit will apply to investments made before 1994.

The proposed measures will also help small businesses obtain the financing they need. The rules for investments in small business by RRSPs and Labour-Sponsored Venture Capital funds will be simplified and expanded.

• (1120)

For instance, individuals will be permitted to hold unrestricted amounts of qualifying small business investments in their RRSPs, while preferred shares will be added to the list of eligible investments for LSVCCs. That is very important.

Furthermore, the loan limit allowed under the Small Businesses Loans Act will be raised from $50,000 to $250,000.

The Small Business Financing Program will be extended to the end of 1994. This will permit small businesses to refinance loans at interest rates below normal commercial market rates.

This series of measures should encourage Canada's small businesses to make the investments they have been planning for some time and thus create new jobs.

Finally, I would like to mention that part of the minister's economic statement which deals with major investments in the transportation sector.

I am very pleased to see the economic statement mentions the possibility of entering into agreements with the provinces, including my own province of Quebec, so that we can start a number of major highway projects in Quebec and bring them to completion especially in my own riding where road inprovements are badly needed. We know some sections of Highway 138 east of Havre-Saint-Pierre are not yet finished, and I am pleased to see the economic statement addresses this problem. The Government of Quebec will now be able to sign an agreement with our government to finance the completion of these projects.

Mr. Guy H. Arseneault (Restigouche—Chaleur): Madam Speaker, I think we seldom take the time, here in the House, to consider what was said in the past.

In March this year when I spoke in the debate on the budget I mentioned the lack of concrete measures to improve the economy and help Canadians who were suffering as a result of Tory policies.

From what we have heard about the new budget, I was right. Once again their financial policies are doing nothing to improve the economy of this country. The government keeps harping on global economic restructuring and the international recession. I agree that these issues are important, but I certainly do not agree with their approach to all the problems facing our economy.

The government prefers to wait and see what will happen. The Minister of Finance himself said that he was waiting to see what the Americans would do after the U.S. election before doing anything at all.

They had another alternative. They could at least have tried to reduce the serious unemployment problem in this country. They could have tried to find jobs for those who have none. They could have done something for Canadians living below the poverty line.

But let us be fair. The government is making some progress. But why is it only because of the Liberal policies they adopted? During the budget debate last March we noticed that the government decided to adopt a Liberal proposal for using RRSPs for the first-time purchase of a home. Once again the government borrows concepts from the Liberals to boost the economy.

[*English*]

The government's attitude has had a devastating impact in my riding of Restigouche—Chaleur. The government's economic policies have wreaked havoc in the forestry sector in my riding, leading to 300 lay-offs at the Atholville Pulp Mill, 500 lay-offs at the Dalhousie mill and a number of other related lay-offs throughout the riding. Nevertheless the government stubbornly maintains many of its disastrous policies.

We cannot forget the companies that have laid off people. We cannot forget these individuals who are laid off and presently without work.

We have heard a lot yesterday and today about unemployment. In my riding the level is at 16 per cent. This figure is unacceptable.

It does not include those individuals who have given up looking for work.

Small businesses in the riding are suffering. The federal government expects them to carry the economic recovery yet it continues to tax them to death. All the while the large multinational corporations continue to operate paying little or no taxes.

This government's unwillingness to stand up to multinationals is clearly outlined in last week's Auditor General's report and Bill C-91 which is presently being studied by a committee. Small business, in my mind, is the engine of today's economy and it is going to need a

boost. I must in all fairness say to the minister some of the announcements yesterday were a step in the right direction, a very small step.

The government keeps telling us of the importance of education and the need to have a well-educated workforce to compete in the world's economy. Meanwhile the government is mercilessly slashing education and training budgets. Since 1986 it has continually reduced its contributions to post-secondary education. The maximum level for the Canada Student Loans Program has not risen since 1984.

The government has put a tax, the GST, on books and other learning resources. It has finally implemented cuts to the summer employment experience program, therefore diminishing students' abilities to support themselves through their educational careers.

Spending on education, research and development are investments in the future of our country. We must get back on the right track.

With regard to student loans, collection agencies are presently hounding students who are unemployed. They are hounding their families who are unemployed. This has to stop. I heard earlier one of the members from the opposite side was looking for a suggestion. I suggest the minister review the Canada Student Loans Program completely with a view to searching out those who are unemployed who cannot make their payments. Maybe they could work for the state, or a municipality to repay their debts. When we look at this idea, we see that criminals are sometimes better treated than our students. It is about time government start looking at that aspect.

[*Translation*]

People in my riding met to organize conferences on the economy. The Nepisiguit economic conference submitted its report nearly a year ago. A second conference, the Restigouche economic conference, is now under way in another part of my riding. These two conferences bring together community people who care about the situation in their region. The purpose of this regional strategic analysis is to take charge of the region's economy in order to make it better. These groups realize the region's problems but are also ready to find solutions.

Another committee was formed to consider the possibility of reopening the Atholville Pulp Mill and to look at the problems of the forestry industry in general. Other groups, like the Restigouche and Chaleur industrial commission, the business men and women of St. Quentin, the CDCs of Kedgwick, Dalhousie and Campbellton, the chamber of commerce in Beresford, are also working to solve some of the region's problems. They are trying to find innovative solutions to improve the economy and promote development.

The lack of leadership from the federal government makes more work for these committees, but their power is limited. The government must show leadership and initiative to help them. For this, the government should immediately start investing in the present infrastructure of Restigouche—Chaleur.

The ports of Belledune and Dalhousie are still looking for a strategic plan. Since the federal government still does not promote them a plan is necessary.

[*English*]

The ports of Belledune and Dalhousie in my riding have to be developed. There is a lot of potential.

[*Translation*]

Dredging is needed for the docks in the communities of Pointe-Verte and Petit-Rocher.

[*English*]

The wharf at New Mills has to be expanded for our fishermen. Emphasis has to be put on tourism, not only in my riding but right across Canada. The tourism potential of Restigouche—Chaleur must be assisted and expanded. We have a good base to start with but it takes a little bit of help from the federal government.

• (1130)

We have a network of outdoor centres in Restigouche-West. We have museums, we have the Park Sugarloaf. We have the Chaleur Phantom, Recreaplex, Chaleur Park, and the Eel River Bar development that is in the works. There are parks in the Jacquet River area and we have a major new park that has just been developed—

[*Translation*]

—Atlas Park. It is very important to have more money to improve tourism facilities in our riding.

[*English*]

There are other projects under way such as *la plage de Beresford, un terrain de golf*. It is very important the message gets out that tourism and small business are probably the best answers to some of our problems. We have to start making sure they are part of the solution.

I must also say we have to look at the transportation system. I am happy to say the minister looked at the transportation system somewhat in his proposals yesterday. I also believe there has to be more emphasis put on roads, airports and ports. I hope some of the announcements that were made yesterday with regard to roads, airports and ports are going to apply to all ridings in Canada and not just a select few.

The time has come for governments at all levels to enter into a new partnership. The municipalities, the provinces and the federal government must begin to priorize their plans and make decisions on this basis.

In wrapping up, I would like to say Canadians need a government with initiative. They need a government willing to provide leadership and get Canada working again. In short, I believe we need a new government.

Mr. John Reimer (Kitchener): Madam Speaker, I would like to focus on just a couple of issues in the economic statement of yesterday.

I listened to the various comments yesterday both in the House and in the media about the measures announced with regard to unemployment insurance benefit rates. A lot of simplistic phrases were thrown out that are totally incorrect. One was that we are fighting the deficit on the backs of the unemployed.

I would like to be specific on that and I hope the hon. member will listen rather than speaking from the seat of his pants over there.

Let me just go through the details. The unemployment insurance benefit rate is being reduced from 60 per cent of previous earnings up to the maximum insurable earnings to 57 per cent for new claims starting April 1, 1993. Current beneficiaries are all grandfathered. The net result of the benefit rate reduction from 60 per cent to 57 per cent, which so many are playing upon, is a freeze in unemployment insurance benefits in keeping with the government's restraint across all policy sectors. It will counteract the growth in earnings that would otherwise cause average benefits to increase. How in the world can one say if you move from 60 per cent to 57 per cent that it is not a cut? Well, we have to remember that the 57 per cent is based on a higher number. When you base it on a higher industrial base rate number, the net effect of the change is no change and it continues at a flat or freeze position.

I wish hon. members opposite would do justice to what is exactly happening here. The net effect of this change is to freeze the benefits as opposed to reducing the benefits. That is the first point I would like to make. We heard a lot of comments from the media last night and even some from the opposition here in the House that it is totally unfair to disentitle voluntary quitters.

Let us look at the facts. The effective date of the proclamation of the necessary amendments to the Unemployment Insurance Act for persons who voluntarily leave their jobs without just cause or lose their jobs through their own misconduct will no longer be eligible for unemployment insurance benefits. The measure is to be permanent.

Let us put this in context. Those persons are already subject to administrative penalties which delay the start of benefits from seven to twelve weeks and are paid benefits at a lower rate of 50 per cent. That is already happening. What the economic statement adds is that those who leave their jobs without just cause will lose their benefits.

Let us look at just cause. What does just cause include? It includes sexual or other harassment. That is the first one. The second is obligation to accompany a spouse or dependent child to another residence; third—

Madam Speaker, these people continue to speak over there. They refuse to listen. Let us get the facts on the table. The first just cause was sexual or other harassment. No one will be penalized if that is the reason they must leave; second, obligation to accompany a spouse or dependent child to another residence; third, discrimination on a prohibited ground of discrimination as contained in the Canadian Human Rights Act; fourth,

working conditions that constitute a danger to health; and fifth, an obligation to care for a child.

It is totally false to say that anyone is going to be cut off benefits because of those reasons. We must remember there is an adjudication process and an appeal process to deal with that should someone be unfairly let go or fired.

Madam Speaker, let us look at the facts first. Once we have the facts then let us start looking at whether the process will work and will the process work fairly. That is the intent of this.

Let us go on to another part of the statement. To encourage small business to expand and to hire new employees, the government will pay any increase in the unemployment insurance premiums in 1993 over 1992 up to a maximum of $30,000 per firm. In effect, for most small businesses, UI premium costs will be capped at their 1992 levels. In fact most start-up businesses will have a UI premium holiday for 1993.

Any incorporated or unincorporated business whose employer share of UI premiums in 1992 was less than $60,000 will be eligible for a benefit under the program. For those businesses which had between zero and $30,000 of UI employer premiums, the maximum will be $30,000. For those which pay between $30,000 and $60,000, the maximum benefit will be phased down on a dollar for dollar basis.

This is very good news for our small business sector which we know creates the vast majority of jobs in Canada. This will help them greatly because the net effect upon a small business will be to reduce their hiring costs for an additional worker up to about $1,600 per additional new worker.

Other actions for small business will include a 10 per cent small business investment tax credit for machinery and equipment purchases. Rules on investments in small businesses by RRSPs and other funds will be simplified and investment options expanded. Programs that provide financial assistance are being expanded or extended, all to help small businesses hire more people as we begin to move to a higher growth rate than what we have seen in the last five quarters. All of this is very encouraging and it is important that we get the facts on the table.

There are some very tough measures that were announced in the economic statement. One of them is a freeze on public servants and their salaries. I want to pay tribute to the civil servants who work in my riding. We have several offices in my riding, immigration, employment, retraining, pension, Revenue Canada and customs offices. I can say without any equivocation for myself and for my staff that we have received excellent service from the vast majority of those public servants.

• (1140)

Their task is not simple; they carry out programs where they have no say about the content on most occasions. Sometimes they know the programs could even be improved, but they have to administer them as they are given to them. They do that for people who are often very angry, very frustrated, do not know what is going on and are very impatient.

I want to commend the vast majority of public servants right across Canada, and particularly in my riding, for their professionalism and the way in which they carry out their tasks.

I am also disappointed that in this budget—or this economic statement, I am sorry—that the deficit is not going to be lower than it is. Here we are, after eight budgets, two economic statements at least and every single one has cut spending. When we began in 1984–85 we started to cut spending. Every single budget from 1985 on has cut spending.

When we started in 1984 the annual deficit was in the $38.3 billion to $38.5 billion range; now we are coming down to $34.4. We have only reduced it by about $4 billion. To me, that is one of the tremendous disappointments that this statement brings to us as Canadians and members in this House. After eight years of cutting we still have only made $4 billion worth of progress.

Let us remember why we are not making much progress. We were making a lot of progress prior to the recession and it looked very encouraging, but we did not go up in that deficit because of renewed spending. We continued to cut spending. The reason it went up is because of reduced revenues. That is totally contrary and totally different than what happened in the early eighties when the annual deficit continued to rise, due both to reduced revenue but also in large measure to increased spending. We have to keep that in mind.

I am also disappointed that we did not cut off all advocacy groups. We have reduced them in this statement 10 per cent now and 10 per cent next year. I think most of those should have been cut to zero. I know that in some cases people will say we discriminate. Well, we discriminate now. The National Action Committee is only being cut 10 per cent and 10 per cent, yet REAL Women get zero. So we are discriminating right now. I think all advocacy groups should get zero and that is our target except for organizations such as the CNIB or Red Cross which we should continue to fund.

In conclusion I am pleased that at least we are going to take some action on eliminating interprovincial trade barriers. Those have to go because it will create jobs that will eliminate much of the lack of competitiveness we now have in comparison to the rest of the world and that will help Canada both to create jobs and to be more competitive.

Ms. Dawn Black (New Westminster—Burnaby): Madam Speaker, yesterday was one of the saddest days that I have witnessed in this House of Commons. It was a sad day because I think there were still some Canadians who looked to this government and the mini budget to help ease the terrible toll that Tory government policies have brought to our country.

I believe there were some people out there who clung to the thought that the government, even a Tory government, would see the devastation and see the error of their ways, realize that things just are not right, realize the human suffering that their policies have caused, and act with compassion. Some look to the government for, at the very least, hope, plain and simple hope. Sadly, yesterday that hope was finally extinguished.

Yesterday this government admitted it could do nothing to correct the ills of its own policies and the policies of the Liberals before it. Yesterday in this Chamber the finance minister and the minister of trade all but admitted that they were impotent, impotent to do anything in the face of world market forces, unable to create any Canadian solutions to our problems, unable to help ordinary Canadians.

What does it mean to be a Canadian? For the government it seems to mean that it rolls over and plays dead in the heat of the market forces' cauldron.

Can you imagine, Madam Speaker, the Japanese, the Germans or the Americans, who also rely on trade, standing before the people and saying: "We cannot do anything to help; we have to wait for other countries to get better, then we will too." Can we imagine that happening? That is exactly what we heard in this Chamber last night. Unfortunately that is not where yesterday's story ends. The story gets even worse.

Yesterday we also received another lesson in the priorities of the government. It is bad enough that the government usually sticks to increasing the burden carried by average working people, the ordinary Canadians who work the hardest and pay the most. Yesterday the government went a step further. It managed to increase the burden of the unemployed. The government has revictimized those unable to work or who cannot find work. It managed to kick someone who was already down.

At this difficult time when the country has seen record unemployment thanks to the government's policies—a slavish pursuit of deficit reduction, a slavish pursuit of opening up Canada, selling it to the lowest bidder and shipping our jobs away—instead of choosing to help the unemployed the government has cut UI benefits and limited the numbers eligible.

Now when a man quits work because of appalling conditions, unreasonable demands, concerns about health and safety, he could potentially no longer receive UI benefits. When a woman quits work because she is sexually harassed she could potentially no longer receive UI benefits. At the very least there could be a brand new bureaucracy at UIC, a star chamber deciding who should receive UI and who should not.

I listened carefully to the previous speaker. What he does not understand is that before yesterday's announcement a woman who was sexually harassed on the job would at least know if she quit her job she would serve the penalization period for so-called voluntarily quitting and then be eligible for UI benefits. Now she will no longer be able to do this. This will result in women staying in situations where they are being sexually harassed. For some women this will mean if they leave they will not get benefits, not be able to feed their children and will have to turn to the welfare roll.

The government seems to forget that all working people pay into the UIC. It is not a charity. Is it not ironic that at the very time the government is again attacking the Public Service it now seems to be creating a new bureaucracy at UIC to judge who it deems to be deserving and undeserving recipients?

The government insists it is making tough decisions to help all Canadians. Let us look at how successful its policies have been. On deficit reduction in only nine months it appears the projections of the finance minister were off by a mere $11.9 billion. On free trade deals 500,000 jobs have been lost, mostly in the manufacturing sector, but the trade minister boasts they have been replaced with service jobs at fast food restaurants.

The only other area where there has been a real job growth is for volunteers in the increasing food banks across the country. As for retraining for the new demand for the global economy, the government is taking $300 million from existing UI funds for training. No new funds, no new strategy.

This is not a government making the tough decisions for the betterment of Canada. This is not a government adapting to changes in a restructured global economy. This is a government which keeps tripping over its own ideology and unfortunately it keeps landing with a thud on average Canadians.

This is a government not even following its own advice. It is not reducing the deficit. It is not retraining and adapting. Only now is the government talking about the needs of a service economy, the needs of R and D. That advice was given to the government years ago by the Economic Council which it has also axed.

The government's obsession is with its fight against inflation, its tight monetary policy. The publication *Canadian Business Economics* concludes that easing the anti-inflation fight would have saved jobs and led to a dramatic improvement in the deficit and trade. The saddest part of the Conservative policies is that they do not even make economic sense.

• (1150)

Canadians realize that politics is often an adversarial process, but Canadians also realize there is a time to put aside dogmatism, a time to put aside political ideology. Canadians realize there is a time when the government must do what is right to help its people regardless of its political ideology.

Unfortunately government members who sit across from me are the only Canadians who do not seem to realize that very simple message. Instead the government insists on pursuing the same policies which over eight years have been successful only in increasing the deficit and increasing the number of unemployed Canadians.

It is not good enough to stand here and criticize. That is what the Liberals do. They criticize. They do not offer solutions. They hold their breath hoping to be the next government. It is the responsibility of opposition parties to present alternatives. The New Democrats have done so.

Last night my colleague from Essex—Windsor spoke eloquently and passionately on this very matter. He spoke of alternatives that would take into consideration the plight of 1.5 million unemployed Canadians. He spoke of the choices the government had.

To quote from the document which the finance minister released yesterday: "The essence of governing is choosing. There are choices to be made and we are prepared to make them in the best interest of Canadians".

New Democrats would not have chosen to spend, as did the government, $4.5 billion on military helicopters before they launched a serious campaign to rebuild Canada's infrastructure and provide necessary jobs. The best social policy is a full employment policy.

New Democrats would not have chosen, as did the government, to allow tax avoidance for wealthy individuals and profitable corporations before they helped retrain Canadians to adapt to the changes in this world.

New Democrats would not have allowed, as the government has, wealthy individuals to hide their fortunes in private trust loopholes while ordinary Canadians pay more than their full share of taxes and then some.

Unlike this government, New Democrats would have ended the capital gains tax exemption rather than forcing sexually harassed women to stay at a job for fear of not receiving UI benefits.

Unlike this government, we would have eliminated the business entertainment and meal subsidies and instead helped get hungry children away from dependency on

food banks and given them some real hope for the future.

New Democrats would not be trying to extend multinational drug company patents, extensions which even the government itself admits are going to cost provincial health care and average Canadians hundreds of millions of dollars. Unlike this government, New Democrats would not be extending these patents instead of fulfilling promises to provide child care so we can maximize the potential of our human resources.

When all the world's armies are downsizing, New Democrats would not allow, as the government has, our basis in the defence budget to bloat instead of continuing and increasing green initiatives that would provide jobs and are so important to our future.

New Democrats would not have panicked and signed an ill conceived and sweeping document like the trade deal with the U.S. or NAFTA which will again make us drawers of water and hewers of wood.

There were choices. There were new ideas. Sadly only the Conservatives stick dogmatically to trickle down economic theories that have failed everywhere else in the world.

Mr. Pat Nowlan (Annapolis Valley—Hants): Madam Speaker, I too rise with mixed thoughts on the speech of the Minister of Finance yesterday.

I am going to say a couple of things in the brief time here that have caused me concern. Then in the last few minutes of this 10-minute contribution I do have two very specific proposals on policy that I think obviously cannot be implemented in this economic document but certainly may be considered hopefully before the minister brings in presumably another budget in the spring.

In a very general way, with all the facts and figures and all the tables and charts ,I think the minister would agree with me that unless there is confidence in the community outside this hall from coast to coast, unless there are very specific tax policies with stimulation, we are not going to get the recovery that we all desire and want so much for the Canadians we serve. The minister wants that as much as any speaker in this House.

In the few minutes I have I want to express in a general way my disappointment. I appreciate the parameters were very limited for manoeuvring by the minister. It was either fish or cut bait or try to pump it up or else chop more. As other speakers have said, I do not really see where he could chop much more, although I will have a few proposals there. Certainly tax increases were absolutely *verboten* as far as the public was concerned.

However, without getting into analysis of the speech yesterday, the smoke and mirrors, the Alice in Wonderland aspect of this whole document is right in the speech which appears in *Hansard*. At page 12 of the statement, after talking about some of the measures that he announced to get some money to try to get the deficit down, which includes the salary freeze, he stated:

> The actions I have announced today will bring the estimated deficit down to $34.4 billion this year and $32.6 billion next year.

When I heard that last night I thought of Alice in Wonderland and doublespeak. We knew before last night that the deficit was supposed to be 27 point something billion. He said that with a smile last night.

I do not know if the opposition will ask the question today in Question Period, but I certainly hope the question is answered. If the minister had not included these measures that are enumerated on page 12 of his printed speech, what was to be the estimate for the deficit? If, in the minister's words, he was just bringing it down to $34.4 billion and next year it is going to be $32.6 billion, what was the amount of the deficit? That as I say, illustrates the smoke and mirrors and the doublespeak in so much of this document that I do not have the time to analyse fully.

The other part which is a little more sensitive is the question of confidence. I know the minister well. As I say, it is a little unfortunate in terms of the confidence of Canadians out there who have either lost their jobs or are concerned about their jobs. I will not get into the speech by the member for Humber—St. Barbe—Baie Verte. He mentioned in effect that we have frozen our salaries, but we have not frozen the payout to the unemployed who are actually going to have a 3 per cent cut from 60 per cent to 57 per cent. One could really make a whole speech on that point.

There is just something wrong. One of the top public servants of the land led the bureaucracy in the federal Public Service and brought in PS 2000. He was very involved in constitutional discussions and is now the president of the CNR. I am referring to Mr. Paul Tellier. In his very first meeting with management he informs them that they have problems on the railway and 10,000 employees are going to have to go.

This is a man who has given good public service to Canada. Undoubtedly he has certain pension qualifications, yet he is hand-picked without any railway experience to go into an area that we all know has serious problems. We worry about the rationalization of the air, but I think anyone involved in transportation knows that the rationalization of the rail is going to confront us very seriously within the next five years. A man with a very solid pay has been put into position. He has made contributions and has done his work for Canada. He has been put into that area, hand-picked by the Prime Minister to run the CN with no experience. He told them that 10,000 of them were going to lose their jobs.

That is something that everyone in the barber shops and the garages can understand. Just what is going on when a top public servant comes around and in his first meeting says: "Hey, I have been looked after. I have a new job and one of my jobs is to tell you that you are going to be out of a job?"

• (1200)

My friend across the way is the second most powerful political person on the federal scene and he disappointed me. He could have stopped the transfer of the immigration data processing office to Vegreville.

He knows that that type of move was complained about when he was in opposition when it was done for such rank political purposes. Again it is the type of thing that in terms of John and Jane Q. Public out there it just causes real concern about what can be believed about these people.

Those members complained about certain things when they were in opposition. Then they get in power and, with those two things, not to mention Bill C-91, they do it just as badly as the Liberal government did it.

We will have a chance to talk about Bill C-91 next week after another allocation of time order so that we can get on with the report stage and the third reading. It does not help Canadians. It may help the multinationals, but I thought this government had learned after the referendum that it is not good enough to have business on your side. The people have to be on your side. The real concern out there has been that this government has lost touch with the people.

In terms of the negatives of this budget there is the business of the immigration centre in Vegreville and Paul Tellier running the railway as sort of a hobby after he has been a professional public servant. He was hand-picked by the Prime Minister to run CN when we know all railways run into serious trouble. This is something that shakes the very confidence of Canadians.

Frankly, another budget in the spring is not even going to do enough to help restore the basic confidence of Canadians who see these things. They do not have to be economic wizards to know that there is something wrong when they are unemployed.

Talk to the fishermen, both the unemployed and those who are going to be unemployed. Talk to the airline workers who wonder about their jobs. Talk to people in areas in my part of the country where there is going be more base closures and more job losses. They are concerned for their families.

However, they pick up the papers and see someone who has been well looked after getting another premium job in the railways. Then they see the minister putting the immigration office in Vegreville. If the survey shows that this is an economic way to have immigration processing far distant from where the real immigration cases are, why then put it there instead of in some other area where there is loss of employment and futures. People understand that.

That is why the confidence of the people is shaken. I really thought that the vote we had on October 26 would have told some of the leaders of the land how upset people were, but I do not think it did.

That is the negative side that I have mentioned. There is so much more on the negative side I could say but I really do not want to go too far in order to conform to the time limit which is very short.

The minister has asked for positive and concrete proposals to improve the economy. As an Independent Conservative member of the House, I do not have the resources and staff to produce detailed studies. Howev-

er, after several years in politics and with eyes and ears open to the community and input from voters I have a couple of suggestions which in the future will go a long way in helping the economy.

The first is to encourage small and new business. I know the minister intends to do that through tax credits. The trouble with tax credits is that they are no good unless the business is making money. New businesses are not making money and most small businesses are not making money today.

I agree small businesses are the major creators of jobs. In the critical growth stages most of them benefit very little, if at all, from tax credits on tax deductible expense allowances. They need stable, long-term funding at low interest rates rather than the roller-coaster pattern in rates and availability offered by the government, the Bank of Canada and paranoid bankers.

I propose that small businesses be permitted to borrow funds for terms of 10 years or more at fixed rates on the basis that interest is not a tax deductible expense for the borrower and not a taxable income for the lender.

Some of the proposals could be massaged but in effect this means small businesses when they first open will most likely not have any taxable income for a few years and more than likely will show losses. There should not be that much impact.

Such loans should be included as eligible with limits from the Small Businesses Loans Act. Perhaps the maximum of such non tax deductible loans to any business should be limited to perhaps $5 million. It may also be necessary to permit the pooling of such loans where they can be sold through security dealers. This will create an ample supply of funds at significantly lower rates than presently available with positive long-term tax consequences.

In conclusion my second proposal is somewhat the same thing but even shorter. It is similar but is directed to the home market and housing industry. It is designed to make quality housing more affordable. It will increase the value of existing homes and thus people's net worth. It helps to get equity back into the system. This is what we need. It will increase the value of existing homes—

Madam Deputy Speaker: In fairness to all colleagues, the hon. member has gone past his time and I must be fair.

Mr. Nowlan: I was trying to give a positive proposal.

Madam Deputy Speaker: I realize that but there might be other ways to do it.

[*Translation*]

Mr. Yvon Côté (Richmond—Wolfe): Madam Speaker, thank you for giving me a few moments to speak as have my other colleagues. Of course, I recognize the good faith and good will of all hon. members who in turn share their varying perceptions of a reality on which everyone agrees. But I see that these very diverse solutions lack common vision and realism. Of course that is the reason for political options, partisanship and divisions among parliamentarians and managers.

Madam Speaker, I would therefore tell you that in my mind this economic statement that the hon. Minister of Finance submitted in the House is not a budget in itself. It is very important not to consider it or perceive it as a budget. It follows on a budget that was presented more than six months ago in February. Given the mishaps along the way, the continuing recession, the high interest rates, inflation which was high then too, all these factors affected the budget which needs to be reviewed.

With this in mind the hon. minister and our government decided by common agreement to make a course correction. So you must not think that this is a new budget that would cut or eliminate departments. We will deal with that in a future budget. The idea was to seize the opportunity of the present circumstances, some terrible and some exceptional, in order not only to correct some of the occasional errors but also to modify our course according to some new positive elements that were emerging such as the inflation rate which has been brought under control and is now the lowest in all of the G-7 countries, and interest rates which were increasing constantly during the last two or three years and are now at one of the lowest levels ever.

Therefore it was timely and appropriate for the minister and for our government to take these measures in order to rectify the situation in a context of confidence because Canada enjoys an enviable reputation worldwide. We had to take advantage of the exceptional confidence we enjoy, of the low interest rate we now

have, of the lowered rate of inflation. We had to seize this opportunity seven months after presentation of the 1992 budget, to redress the situation.

What did we do? The statement by the Minister of Finance, has several objectives besides raising confidence and increasing participation. The first was to have the government set an example. We had to make cutbacks, as we did over the last eight years, hoping to control and eventually eliminate the deficit. I agree it did not happen so far but it is the recession and the benefits we must provide to our citizens, the protection we must give them, which have prevented us from pursuing the lowering of the deficit and eventually the debt.

Besides further spending cuts the economic statement provides for the continuation of the privatization policy, a policy which will end government spending on those operations which could obviously be run by the private sector. We have frozen salaries, from the prime minister, cabinet ministers and members of Parliament on down through the public service, Parliament and Crown corporations.

• (1210)

Then there is a second objective which I regard as most important. We will relieve the financial burden of the Canadian people. How? By restoring confidence. In that new and encouraging climate I referred to earlier families and consumers will have money to spend again. They will start consuming again, and if they spend more the industry will produce more and jobs will be created.

How will consumers and families benefit from that extra cash? May I remind you that the 1992 budget introduced and promised a tax rate cut. This measure will be pursued in 1993. In addition families, the head of the family, mother or father, will receive increased allowances in the form of benefits which means they will have more cash available to spend. In turn production and job creation will increase.

That is the second factor that ought to be taken into consideration and this change in course is a positive one. There is also the growth assistance initiative to promote the establishment of new businesses, thereby creating new jobs. So research and development will be increased and support will be provided to small business.

This brings me to this last objective, which deals with jobs and investments in small and medium-sized businesses. Nearly 80 percent of businesses in Canada fall in that category. They are the bigger employer in our country. And these are the ones that have been—how can I say?—made vulnerable, weakened, shaken by the economic and financial situation to say nothing of the monetary situation. Interest rates made them vulnerable and, of course, inflation prevented consumers from spending because prices were on the rise. These businesses therefore produced less and less.

So small and medium-sized businesses' participation will be enhanced and these will be given a better start in the seventh month on this new course. Of course, assistance will be provided to them in various way. Allow me to look at this area in particular.

As I was saying, small businesses play a vital and major role in the Canadian economy. Did you know that between 1979 and 1990 they created more than two million new full time jobs? Those are fantastic investments in the private sector.

Canada's federal tax system for small businesses is one of the most favourable in the world. This is all the more reason to take advantage of the favourable situation that prevails right now with low interest rates, an inflation rate that is under control and the new confidence shown by the rest of the world toward Canada. It is important to take advantage of these circumstances so that small businesses which are the major employers in the country can again produce and hire people.

Let me give you an example of the tax incentives which we and they benefit from. Did you know that our tax rates are lower than those in the U.S.? Few people know that. For instance, Canadian small businesses which are incorporated can take advantage of a special deduction which lowers the federal income tax rate to 12.8 per cent, including the 3 per cent surtax; that is 12.8 per cent on the first $200,000 in revenue from an active business. What is that rate in the U.S.? Is it 10 per cent, 12 per cent, 14 per cent? No, Madam Speaker. In the United States the federal tax rates for small businesses range from 15 per cent to 39 per cent. You can see that there is

a favourable climate in Canada for renewed growth in the small business sector and the creation of new jobs.

Let me give you another example. Canadian small businesses which are incorporated are also entitled to the most generous R and D incentives not only compared to the U.S. but to all other G–7 countries. I should mention the refundable federal tax credit of 35 per cent which enables small businesses to receive funds directly without delay. Here is another example to illustrate those favourable conditions. There is a cumulative exemption, strictly for capital gains, which enables small businesses to invest again and again. This exemption can reach $500,000. This is another interesting incentive which should not be overlooked. This is precisely what awaits us tomorrow. Those privileges, those favourable conditions that we introduced for small businesses will continue to exist.

Do you want another example? Small businesses increasing employment will have no increase in unemployment insurance payments; some will even be exempted from paying the employer's premiums. These are important measures for small businesses that will enjoy a new boom.

I just wanted to tell you that small businesses will greatly develop as a result of the various measures taken to boost confidence, improve our monetary and interest rate policies and stimulate investments.

[*English*]

Mr. Sergio Marchi (York West): Madam Speaker, the banner headline in the minister's own backyard really put it aptly when it read: "Mulroney's Tories run out of gas". If you look at the opening paragraph in *The Globe and Mail* Jeffery Simpson once again put it very aptly when he said: "Finance Minister, Don Mazankowski's economic statement yesterday displayed all the hallmarks of a government running on an intellectual fuel tank marked empty".

Yesterday's economic statement or mini budget or whatever you want to call it by any measure was a depressing and pathetic response to the economic woes that challenge our country and Canadians. I say it is pathetic and depressing because I used two principal measures to look at how good this economic statement will be for Canada's economy.

There were two overriding options. The first was to change course and seek a new direction on a road that was clearly not working versus staying the course, business as usual, head in the sand and let us hope the economy will improve naturally. That was the first challenge.

The second challenge was whether to apply an approach that cut, restricted and withdrew from the economy or an approach prepared to stimulate a serious, comprehensive job creation program. For me and many of the constituents I have the honour of representing those were the two major challenges in terms of delineating an approach and providing a clear indicator of whether this government was serious about attacking those economic woes. Having opted to stay the course and restrict rather than expand the economy this Conservative government, in my opinion, has selected the wrong remedy. It has failed to inject confidence as a necessary variable to achieve any kind of recovery. It has shown it has been mismanaging because its projections have been wildly off the mark.

For instance this minister had projected a deficit figure $7 billion lower than it is. He then had to find another $8 billion in cuts which means he was $15 billion off. Not only has it done all those things but by selecting a "stay the course, don't worry, trust us" approach, it has demonstrated how disconnected this government has become from the reality that stares every average Canadian in the face every single day of the week. The government is clearly out of touch, out of tune and needs to be put out of its misery.

• (1220)

If we take the experiment to the south of us, through their election, it is startling how similar the two governments are. The Americans' incumbent president selected the same approach we witnessed yesterday in the economic statement. He said: "We are going to be getting out of this recession sooner or later. I do not want to interfere. I do not want to interject. I do not want to intervene". But the incumbent president was also a captive and a prisoner of a White House and he had no idea of what was going on in small town or big town America.

The Americans clearly selected a new course of economic management a few weeks ago despite the pros and cons on either side. The economy is clearly issue number one for Americans as it is for Canadians. One would have thought if the government did not learn the lesson in the referendum campaign about the disen-

chantment and disenfranchised perhaps it would have learned the lesson about some of the economic management decisions that have been made to the south of us, but that is not the case.

We can look at my own region of Toronto in the province of Ontario. Unemployment in Toronto is at 12.3 per cent which is higher than the national average. Last month alone 1,000 new families were added to the welfare rolls pushing the case-load up to over 108,000 families in Toronto who have to survive on welfare. That is a 14 per cent increase over last year. If we add the record numbers of people at food banks or under the poverty line the message is quite clear. In Ontario .5 million people are unemployed in what is and was one of the key economic engines or pistons of the national economy.

The government withdrew $300 million through UI cuts which removed $300 million of disposable income or $300 million from that economy. Eighty per cent of all lost manufacturing jobs are in Ontario. The construction and trades industries are as dead as door nails.

What did this government do for Toronto? What did it do for Ontario? What did it do to address the manufacturing drought, the economic malaise that has inflicted one of the major centres of economic activity? In some other regions of the country the Minister of Finance at least sugar-coated the bitter pill. In Toronto and Ontario there is precious little.

I know the minister from Brampton will probably say: "Look what we are doing with Pearson airport". They do not tell you when the construction jobs will come on stream. It will certainly not be this winter. Probably by the time they come on stream this government will be long gone. A lot of Canadians also say selling the most profitable airport in the country to private interests is not good business to start with.

I ask myself as a member of Parliament from the region of metropolitan Toronto, where the metro chairman identified close to $9 billion worth of projects that are on the shelf, if all three levels of government participated in a good many of the projects would that not stimulate and serve to inflict confidence in the economy? It would put some oxygen into the economy instead of putting a lid on it as this government has opted to do.

Councillor Norm Gardner from metro asked and I quote: "Many ministers in Toronto have paid lip-service to metro's economic woes. I would really like to know where they think their bacon lies".

I would like to know as well. There was a time when metro was represented by a half dozen ministers who were active and progressive in defending the interests of Toronto. Right now Toronto is not even on the map of the government's agenda. Perhaps it has written it off.

What should constituents in my riding or in the ridings of my neighbouring members of Parliament and colleagues be told in terms of how yesterday's statement relates to the everyday challenges facing them? We have very little to tell them.

I simply wish to say the Minister of Finance said yesterday governing means choosing. Well it is the same for democracy. Democracy means choosing as well. Yesterday's statement made it a lot easier and certainly a lot more certain why this government cannot, will not, and should not ever earn the trust of Canadians again and certainly not in the next election.

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, first of all I want to congratulate the Minister of Finance on his presentation yesterday to the House of Commons and to the country. I believe it was a well thought out, well presented, and a very good statement for the times we are in.

The hon. member who just sat down said in politics we have to make tough decisions and that is very true. You have to take a look at a country's position and financial situation. You have to look at the world economy, at the pressures on your dollar and on interest rates and so on when you put together a very important economic statement like my hon. friend did.

I have been sitting here listening to some of the speeches. I have read some of the speeches and I have watched some of them on television. To date, just like the last speaker, all we heard was moaning and groaning and complaining, and not one new idea that fits the economic times we are in. There has not been one new idea that would not add to the deficit or add to higher taxes. Not one.

Yet the opposition members are telling the Canadian public "put us in there and we will take care of everything". I do not think the Canadian public can be hoodwinked like that. I think the Canadian public wants to hear what they to have to offer. The airy-fairy suggestions that were presented and the hyperbole of the finance critic of the Liberal Party yesterday made it very obvious there was not a good idea given in the whole place. That includes my friend from Windsor who stood up and pontificated and said how terrible things are. We know how tough things are in Canada and that is exactly why the Minister of Finance brought in an economic statement that is going to do this country good.

I believe the biggest single expenditure now in the Government of Canada is the unemployment insurance. It is huge. Time after time people have said to us we have to get a handle on the unemployment insurance system. We have to make sure people who are collecting unemployment insurance are the right people collecting it the people who deserve it. We have been told that time after time. In these tough times when you are making huge expenditures like that you have to make sure the unemployment system is doing the proper thing.

I listened to the NDP members standing in this House saying there are going to be cuts in unemployment insurance when that is not factual. The Unemployment Insurance Program would be frozen at its current level.

• (1230)

One of the things they must understand is that next year the base rises. In order to freeze the level when the base rises we must decrease the benefits from 60 to 57 per cent to make it even. Therefore it is not a cut it is a freeze. It is a freeze and that should be understood by everyone. It is not a cut.

I listened to the New Democratic Party today. It talks about job creation. It says: "We need jobs in this country". Yet in the same breath it says to cancel the helicopter order.

Madam Deputy Speaker: Order, please. I would be delighted to recognize all hon. members one after the other but it is rather difficult when everyone speaks at the same time.

Mr. McDermid: Madam Speaker, I do not mind, they can heckle all they want. I am going to keep going anyway. Do not worry about them. I am not. I am not worried about them at all.

As I was saying, the New Democratic Party talks about jobs and job creation. Then it turns around and says to cancel the helicopter project. I was at a plant in Nova Scotia, I.M.P. to be exact. I toured the plant recently and visited with the workers and management. Do you know what? It is doing the outfitting for all these helicopters. This plant will do all the intricate wiring and put in all the instrumentation and so on. These are important jobs for Nova Scotia, very important jobs for Nova Scotia. As a matter of fact in my riding of Brampton I received two letters from companies that said to make sure the contract goes through because they provide this instrument or that instrument for the helicopter. The same is true in Mississauga. There are plants there that will provide supplies for those helicopters. Those are jobs in Canada. Those are important jobs.

If we cancel those kinds of contracts, like the NDP want us to do, those jobs will be lost. Let it then explain to its friends why that was cancelled and why their jobs were lost because of an action like that.

This is a very important contract as all our contracts are very important for the creation and preservation of jobs in our country.

I heard my hon. friend talk about the United States, about the President of the United States and the economy in the United States. It is too bad that the good numbers came out just a couple of weeks after the election but the economy is improving in the United States. That is a hopeful sign for us in Canada because we trade with it.

I want to remind this House that its deficit this year will probably be $400 billion per capita far higher than Canada's and it is growing. If the president-elect does what he says he is going to do we will see a deficit that will be beyond belief in the United States. It has major problems with that.

Our Minister of Finance, our government, has come to grips with this. We are fighting the deficit. We have to fight the deficit. We cannot let it get out of control like the NDP and its friends in the Canadian Labour Congress suggest—the Canadian Labour Congress came out

the other day with two ideas, actually it was seven ideas but I just costed two of them. One was to extend unemployment insurance for an extra 26 weeks and the other was to cut the GST to 5 per cent. Those two things alone in one year would cost $10 billion. Did Bob White come up with an idea of where we could find $10 billion? No. It would either be added to the deficit or there would be increased taxes.

We cannot have it that way. We are not in a position to do those types of things. We cannot afford those types of things. The Canadian people understand that and I believe most sincerely that the Canadian people will support the Minister of Finance and this statement. They understand the tough row he has to hoe. They understand the situation that not only Canada is in but that countries around the world are in. They are all experiencing phenomenal problems.

I have not heard anybody from the NDP in the last little while stand up, like they used to, and talk about Sweden. What a wonderful model Sweden is with 500 per cent interest rates this year because it had to get things under control. Things were totally out of control in that country. Unemployment in Sweden is rising at a rate unseen anywhere right now.

The socialist ways do not work. God bless the people in Sweden. They saw the light and finally elected a conservative government which has to come in, as all conservative governments do, and clean up the mess that was left behind. That is exactly what is happening in Sweden today, and that is not the model. We understand the tough decisions that have to be made.

The Minister of Finance is a tough guy. He does not like making the decisions he has to make. There is nothing easier for a politician to do than throw money at a problem, to say: "Here, here is some money. Go away".

This minister is not doing that. This minister is putting scarce resources where they are needed. This minister is cutting back on expenditures because, quite simply, we cannot afford to go on spending the way we have. We cannot afford it. The buck stops somewhere. Once that credit card gets to its limit we have to start paying it back before we get any more credit. That is what we have to do and that is what this Minister of Finance has done. He is to be congratulated. I know he will have the support of the Canadian people.

[*Translation*]

Mr. Mac Harb (Ottawa Centre): Madam Speaker, government members seem obsessed by the national debt. It reminds me of the movie *Fatal Attraction*. That is the only thing they talk about. Unfortunately, this time, Canadians were expecting much more than what they got.

Look at how things are going in Canada right now: the recession is the worst our country has seen since the 1930s; 1.5 million Canadians are unemployed; 2.3 million are on welfare and 3.8 million are living below the poverty level. Moreover, there are more than one million children living below the poverty line and more than two million Canadians lining up at food banks.

I ask the Minister of Finance and the government what they have done for those people in their last budget? What have they done? That last budget did not do much for anyone, neither for the debt and the deficit, nor for the Canadian people and the Canadian businesses. Finally the government did not deliver an economic statement as it called it, but a purely political statement. It simply took away $8 billion from the Canadian economy and put $2 billion back into it. That implies a net deficit of $6 billion for the Canadian economy.

The hon. minister was speaking of deficit control but what have we seen so far? Year after year the deficit keeps rising steadily. In the end the fact is that this government is selling the furniture to be able to pay the rent, to be able to go on. That is what they are doing; they sell the furniture to pay the rent and that is not fair.

This budget is an assault against the Canadian infrastructure, be it from the point of view of the Canadian people or in the literal sense. Here are a few examples from the budget. It speaks of supporting the growth of small businesses. Even the government recognizes that here in Canada it is the small businesses that have created the majority of jobs in the 1980s and 1990s.

• (1240)

Finally, more than 80 per cent of Canadian jobs have been created by small businesses. We can read in the minister's budget that the ceiling for loans to small businesses under the Small Businesses Loans Act will be increased to $250,000. But that hardly helps new businesses since all new firms do not become profitable

overnight and, hence, do not go knocking on the bank's door. Even if they did we must recognize that the banks do not come to their rescue.

The minister also proposes to help small businesses by exempting them temporarily from the payment of UI premiums. But again, if there are no profits small businesses will not hire people.

Instead of attacking the problem of unemployment this budget attacks the unemployed. We have seen in the statement made yesterday by the minister that unemployed Canadians are the ones who will be paying the price. This government will continue its attack on them and on the Canadian people.

We can also see in this budget an attack on the public sector. Government employees who provide services to Canadians will be affected. They have done their fair share these past few years. Their salaries have decreased following a wage control; their salaries have been frozen. Of course, taking into account the rate of inflation it is obvious there has been a decline.

With regard to investing in public infrastructure the proposal is far from adequate. Let me tell you why. The government expects to create some 5,000 jobs over the next few years. In the last analysis this means very little when you consider that approximately 10,000 jobs have disappeared at Canadian National at one swoop. The government's $5 million commitment in this bill will not help much. It is a start but it will not solve Canada's economic problems.

Another important point is that this government asks us for suggestions. Our leader already submitted to the federal government a pretty concrete and efficient proposal concerning investments in infrastructures. The federal government could enter into a partnership with provinces and municipalities. These three levels of government could contribute one-third each. Then we could really create jobs in order to help Canadians.

I do not understand why the federal government would make such a statement and say it is an economic statement since it does not contain much to help the Canadian economy.

In closing the federal government in this statement really did nothing to help the Canadian economy. It is much more of an attack against the unemployed, against Canadians.

[*English*]

Hon. Audrey McLaughlin (Yukon): Madam Speaker, yesterday's economic statement by the finance minister was made during the most serious job crisis in this country's history. One in four Canadians is either unemployed or under-employed, plants are closing throughout the country, and farms continue to go bankrupt. We have unfair taxes, worsening inequality and a sky-rocketing federal deficit.

In the face of all this, the finance minister yesterday delivered to this House a mini budget, a document, that will create an over-all net job loss in this country when unemployment is well over 11 per cent. This government saw Canadians drowning and instead of throwing them a line, it threw them an anchor. That is the bad news.

The good news is this government will not be around long enough to implement most of the harmful measures it has brought in.

Canadians everywhere were looking for two things from this statement.

[*Translation*]

They wanted a change. They wanted the government to acknowledge the failure of the old and outdated policies. They wanted new ideas to turn things around. Last, they wanted a message that would give them hope. They wanted to know that the government in Ottawa is willing to take whatever emergency measures are necessary to create jobs and put Canadians back to work.

On both counts, the economic statement can only be described as a monumental failure. There is not the faintest glimmer of hope in that statement. The unemployment rate is going to stay at 11 per cent all through next year. The deficit will be almost twice as much as anticipated.

Not one single canadian family can now hope for 1993 to be a better year. There is nothing in that statement to justify such hope.

[*English*]

Rather than take bold action to help Canadians who have lost their jobs this government has chosen a 3-D approach: deny the problem, delegate the cost and dump on those who are hurting the most.

The cuts announced to unemployment insurance rank among the most mean-spirited economic actions ever taken by a Canadian government. These do nothing to solve unemployment. They will not generate a single job. They simply transfer costs to provincial, municipal and territorial governments as more and more Canadians are forced to turn to social assistance. The costs of unemployment insurance have gone up because of unemployment, not because of the unemployed. All the minister can do in response to this is punish the victims. This is not acceptable.

Leaving a job is not something that is taken lightly at any time in one's life. There are many reasons why people voluntarily leave their jobs such as harassment, discrimination and unsafe conditions. With a single move the federal government has put enormous power into the hands of employers. Unless employees can prove they were harassed, discriminated against or placed in danger they will not see a cent from an insurance program they have paid into. This is unacceptable.

Madam Speaker, put yourself in the position of a construction worker who is working in a situation under unsafe conditions and feels he or she must quit for health and safety reasons. I would put myself in the shoes of a woman who is being sexually harassed or discriminated against in the work place. Where does she turn now with UI denied if she leaves her job? How does she pay the bills if she cannot prove the harassment and discrimination happened? We do not move into the 21st century by returning to the employment policies of the 19th century.

There is one thing the Minister of Finance said yesterday with which I whole-heartedly agree and I quote: "Governing is about making choices". Absolutely. The government could have chosen to eliminate the business entertainment tax deduction. That is a $1 million saving to the taxpayer right there. It could have chosen to cancel the $4.4 billion helicopter program designed to fight a country that no longer exists. It could have taken that $4.4 billion and invested in a country that does exist, Canada. The government had a choice. The government could have chosen to cancel the $1 billion tax break to the wealthy owners of private trusts. But, no, this government would rather close hospitals than close tax loopholes.

[*Translation*]

The government has decided to single out those who are least to blame for the present recession and to make scapegoats of them; I mean the unemployed, native Indians, the poor in the third world and the generations to come that will pay for the cuts affecting the environment.

• (1250)

We in our party would have made a different choice. We would have chosen a full employment economy, an economy where the government's first priority would be to create decent, lasting, well-paid jobs for everyone.

[*English*]

We must be prepared to commit to a full employment economy. We must be prepared for an all-out attack on unemployment and not an attack on the unemployed. We do not do that with bad trade deals like NAFTA and the FTA that destroy jobs. We do not do that by unfair taxes like the GST that hit hardest at those who can afford them the least. We do not do that with high interest rates that inflate the dollar and choke the economy.

A full employment economy means investing in Canadians. It means generating jobs and doing the work we so badly need such as rebuilding our social, municipal and environmental infrastructures. It means directed research, enriched education and a skilled and talented work force ready to take on the world.

For the past year we on this side have said to the government: "Take a fresh approach or move over for someone who will". Today we know that fresh approach is simply not possible from this government. What we heard yesterday was not a mini budget, an economic statement or a fiscal plan. It was a signed declaration of bankruptcy, morally, intellectually and politically.

We heard much in the minister's statement about the deficit. There is a federal government deficit all right. It is a deficit of ideas, a deficit of imagination and a deficit

of compassion for the people who have been so badly harmed by the policies of this government.

We in the New Democratic Party have an alternative. We have a vision. It is time for a change. Since this government has no vision and offers no hope, I say get out of the way for someone who does.

[*Translation*]

Mr. Jean-Pierre Blackburn (Jonquière): Madam Speaker, thank you for giving me the opportunity to speak on the economic statement made yesterday by the Deputy Prime Minister and Minister of Finance.

It is not pleasant for us as members of Parliament to look at our country's economic situation and see the different measures that the government must take; we must analyze these measures and see whether they are what Canadians want and whether they are the right choice in the present economic situation.

This morning, I talked with the staff in my riding office in Jonquière, Lise Dumont, M. France Paradis and Marie-Thérèse Ferland, and asked them whether the office had received any calls. "What are the people saying?"

The first thing people in our ridings bring up is unemployment insurance. They ask us why the government cut their future benefits from 60 to 57 per cent. Why is the government going after the unemployed in particular? Also, public servants call and ask us why the government froze their salaries. They point out that they had no increase last year and 3 per cent this year, if I recall correctly, and now for the next two years they will have to live with no pay increase.

Those issues affect people and also us as members. It is no fun to see that our salaries will not go up, even though we are better paid than many people in our society. But besides that, there are some positive elements and others which are less good. We talked about some of the tougher measures, such as those I just mentioned. What are the positive ones in yesterday's economic statement? First, there is no tax increase next year. Since income tax is supposed to go down by 1 per cent in 1993 that means some $2 billion more in the Canadian economy. That is an important point. Generally speaking when people have more money we can expect some economic recovery.

Second, we have the amounts that will be allocated to manpower training. We are talking about a total of $2.2 billion, an increase of $300 million over last year. This is another step in the right direction.

In the small business sector, and I will talk about this in more detail later on, we now have 700,000 small businesses with fewer than five employees. We have 900,000 with fewer than 50 employees. This means they are eligible for small business loans of up to $250,000. Incidentally, when the banks grant these loans 85 per cent of the loan is guaranteed so that if a business is in financial difficulty the bank has some protection. By the same token, small businesses that need money for investment purposes have some assurance that the money will be available through the bank.

There are other ways in which we can help small businesses. For instance we can now tell them: if you hire new employees, next year you won't have to pay their unemployment insurance premiums which may save you as much as $1,600 per employee.

When we look at these measures and consider what we will have to do as a government to reactivate the economy I wish we were able to do more. This morning I would like to say that since there will be a new budget in March, perhaps the government should give the following some serious thought. We have $20 billion in the unemployment insurance fund. It is "pro-passive": $20 billion which is being used to pay people who stay home because they are out of work when they would much rather have a job. They do not want to stay home doing nothing. They want jobs.

As a government, we managed to take part of this money which is still in the unemployment insurance fund and invest it in manpower training. People say training is important. The challenge is that we have to create hundreds of thousands of jobs. We want to create 300,000 this year. It is a first step but we need a lot more. We have 1.6 million people who are unemployed. So we need hundreds of thousands of jobs. Why not take the UI fund and give it to small businesses?

Let me give you an example, let us say a weekly salary of $400. Small businesses would hire someone and we would pay three-quarters of that person's salary for so many weeks. Small businesses and employers would wake up and decide to expand or activate production and start hiring people. The UI fund just sits there. It is passive. Why not make it pro-active? The only difference is that I would take the money and offer it to small

businesses so that they could hire people. I have to assume, of course, that after a number of weeks these companies will decide to keep the people they hired and that the wheels will keep on turning. The money is there.

It is a suggestion. If we have to change the legislation, well let us do it! That is our job. We are already using the money for manpower training so I suggest the next budget should consider using the fund to activate the economy even more since people want to work. The Minister of Finance has taken a few steps in the right direction but he will have to take more later on.

Madam Speaker, I realize my time has almost run out and perhaps I may tell listeners that we, their elected representatives, understand them and are aware of their problems. However, there are certain budgetary measures we have to take because the government has less revenue. It is not spending more but less money is coming in. We are trying to do our best and we will keep trying to examine the various alternatives for accelerating economic activity and creating jobs.

Madam Deputy Speaker: It being one o'clock I do now leave the chair until two o'clock this afternoon.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

VIOLENCE AGAINST WOMEN

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, in Canada a sexual assault is committed every 17 minutes and 90 per cent of the victims are women. Ever since 14 women died at the hands of Marc Lepine on December 6, 1989, we can no longer ignore the violent epidemic which is poisoning us all.

It is a fact that the majority of women in Canada are now afraid to walk their own neighbourhoods at night. In fact one woman from my riding says she will no longer use her own bank machine after she was recently harassed in broad daylight. My constituent was able to elude her attacker but for many women there is no escape from violence, especially in the home.

We were all shocked by the tragic murder last summer of 18-year old Carrie Lynn Pinard. Carrie never saw the face of the man who took her life. It was also not so long ago that three year-old Kayla Klaudusz disappeared and was later found dead in Lake Ontario.

We must stop this epidemic. It is time for all men to speak out against violence against women.

* * *

DRUG PATENT LAWS

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, the media and the opposition seem determined to mislead the Canadian people regarding the effects of the past and the pending legislation affecting drug patent laws.

We keep hearing that drug prices have gone up because of legislation providing increased patent protection. However what we do not hear is that patented drugs account for approximately 3 per cent of the entire pharmaceutical industry and of the over-all increase in drug prices, patented drugs have risen only 2.9 per cent since 1984, while the remaining amount of the over-all increase has been in the non-patented line of drugs.

I think it is important to note that there are approximately 19,000 drugs that can be legally sold of which approximately 652 are patented drugs. That leaves over 18,000 non-patented drugs that are not even affected by patent legislation.

The opposition and the media are also dramatically silent about the increase in research and development in Canada sponsored by the pharmaceutical companies since 1984, Ontario being a key beneficiary.

I would love to list just some of the advantages Canadians realize from our patent protection legislation but unfortunately time does not permit me to do so.

S. O. 31

HEALTH

Mr. Jim Karpoff (Surrey North): Mr. Speaker, twice this week Canadians saw the Tory government put the interests of large, powerful corporations over those of Canadians and their health.

First the government's pathetic response to the foetal alcohol syndrome report showed the government buckling to the dictates of the liquor industry. The government refused to take leadership in initiating health warning labels on alcoholic beverages setting out the dangers of drinking during pregnancy.

Next we saw the government at the direction of the multinational drug companies move forward with its drug policy which will result in higher drug costs for families, seniors and provincial drug plans.

Canadians now know that this government is serving the interests of powerful corporations, not the interests of Canadians and their health.

* * *

PUBLIC SERVICE SALARIES

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, I do not envy the challenge that the world recession has created for our Minister of Finance. Life would be ever so much easier if only we had the financial resources to spend.

Yesterday's economic statement caused great concern among many, not the least of whom are our public servants. I understand that yesterday's statement does not affect their earned salary increments. It is my understanding that the government assured the Public Service of two consecutive annual increases of 3 per cent. The Public Service received the first 3 per cent increase last July. They will not receive the next.

I know that everyone has some awareness of our tough fiscal situation and is understanding. However I wonder what happened to that commitment.

* * *

ECONOMIC STATEMENT

Mr. Bob Wood (Nipissing): Mr. Speaker, December 2, 1992, will long stand as one of the darkest days in Canadian history. For one fleeting moment yesterday Canadians held their collective breath in hopes that the contents of the finance minister's economic statement would help answer their prayers. Instead, the minister's proposals created new nightmares for all Canadians.

The finance minister has completely forgotten about northern Ontario. He has done nothing to stimulate the stagnant economy and create jobs in northern Ontario. Indeed, he has decided to cut spending by 10 per cent on programs such as FEDNOR which are designed specifically to attract new business and industry to northern Ontario.

The government has also shown cowardice in cutting UI benefits. Rather than making the tough decisions it should have, it chose to stay the course and make those who could least afford it bear the brunt of the government's fiscal mismanagement. Over the past year there has been an increase of almost 30 per cent in the number of business and consumer bankruptcies in my riding of Nipissing. All of this may be attributed to the devastating economic policies of the present government which has laid claim to being the fiscal saviour of Canada. It has shown all the signs of a tired and feeble government. The only statement which should be forthcoming from this government now is the call for an election.

* * *

[*Translation*]

AETERNA LABORATORIES

Mr. Marcel R. Tremblay (Québec-Est): Mr. Speaker, I would like to point out the initiative taken by Aeterna Laboratories, a company in my riding, which has made a name for itself in the health field. Aeterna has been dynamic and shown initiative. For example, this young company has developed the Natcel food supplement, which took four years of research.

Besides encouraging research in Canada, this product is available from 1,000 therapists in Quebec and will soon be sold throughout North America.

Canadian private companies must be increasingly innovative and competitive. As markets become global we must continue to give our constituents the tools they need to bring about the economic growth from which everyone benefits.

[*English*]

ECONOMIC STATEMENT

Mrs. Christine Stewart (Northumberland): Mr. Speaker, the Tory government's budget statement once again highlights a government out of touch with the people of this country and totally inept at managing our economy. If an accountant of a business in Northumberland misjudged the company's budgeting as badly as this government did its deficit, the business would be bankrupt or the accountant would be fired.

This tired government is out of touch and disconnected from economic realities faced by business and consumers, Canadians. Unemployment is chronically high. Welfare rolls are soaring. In Northumberland alone it is estimated that 2,000 more citizens will be on welfare in the next month, many of them youth. Food banks and soup kitchens across the country are the growth phenomenon.

People need jobs. Northumberland needs harbours, water, sewage treatment, infrastructure which would create jobs, assist welfare-swamped municipalities and taxpayers. Instead, the government cuts jobs.

Where is the justice? Where is the vision? Where is the competence? Not in this tired old Tory government. Let us elect the Tories out of business now.

* * *

[*Translation*]

SALARY FREEZE

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, further to the economic and fiscal statement presented yesterday, December 2, 1992, I want to say that I do not agree with freezing public servants' salaries. Our public servants in Abitibi do an excellent job in representing the Canadian government properly and serving the people and I think that we must respect our previous commitments to them.

[*English*]

WESTRAY MINE DISASTER

Mrs. Coline Campbell (South West Nova): Mr. Speaker, the Westray mine explosion took 26 lives almost seven months ago. Yet the people in the area and in the rest of Nova Scotia have been denied the right to answers that would help the families who lost loved ones in the disaster to understand what went wrong.

There have been four formal requests of the Prime Minister and this government to hold hearings as to what happened. The federal government put a lot of money into this mine. It seems only proper that it would like to know the answers as to why this tragedy took place at the Westray mine.

As a Nova Scotian and as a representative in this House I am ashamed of the lack of leadership that this government has shown in this tragedy. I call upon this government and the Prime Minister, who came to this House because of the people of Pictou County, to hold a hearing into the reasons why 26 lives were lost last May in the Westray mine.

* * *

[*Translation*]

INTERNATIONAL DAY OF THE DISABLED

Mr. Jean-Pierre Hogue (Outremont): Mr. Speaker, today we celebrate the United Nations International Day of the Disabled. This is a unique opportunity to step up our efforts so that equality for the disabled throughout the world is not an abstract concept but a reality.

Canada defends human rights at home and abroad and is proud that the world has such a day for the disabled. Nevertheless, we must extend our activity beyond our own borders. Following the international conference of ministers responsible for the disabled, a working group will consider how to establish a permanent mechanism for exchanging information and technology among all countries.

The goal is the full integration of the disabled in all communities of the world. Canadians and citizens of all other countries can work together for equality, a basic right that we must never cease to defend.

S. O. 31

• (1410)

[*English*]

ECONOMIC STATEMENT

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, this is a compilation of press comments on the mini budget. It is uninspiring, unimaginative, as bad as the Liberal statements in the early 1980s. Canadians have been scrooged by a mini budget which is too little, too late, too Tory, a terrible exercise. The Tories did not know what the right thing was for the last eight years and still do not. This is a mini budget, heartless and brainless, a brazen attack on the nation's most vulnerable citizens. As Tories run out of gas, this has been a government running on an intellectual fuel tank marked empty. I quote from *La Presse*: *Le remède de Mazankowski est une boîte de Q-Tips*.

But there is also hope from the same source. It is *la fin du règne*.

* * *

FIREARMS CONTROL

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, last July legislation was passed to tighten the control of firearms. However, one important measure to reduce the illegal use of firearms was not addressed. I am referring to the need to amend the Criminal Code to introduce a law that would have a minimum mandatory prison sentence whenever an individual, including a young offender, commits a crime using a firearm.

Many law enforcement officers are supportive of this idea. Chief Bryan Cousineau of the York Regional Police agrees. He is adamant that even first-time offenders committing a crime while carrying a firearm should be given a mandatory jail sentence.

It is time for us to get tougher with those who threaten the lives of our citizens. We should not tolerate people who use guns to commit crimes. There should be no plea bargaining, only mandatory jail sentences for such actions.

NATIONAL HIGHWAY PROGRAM

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, the Tory government has a responsibility to develop a national highway program and it has failed utterly to meet that obligation.

The program that the minister announced yesterday is not a national one. It does nothing to meet the transportation needs of much of Canada, in particular northern Ontario.

The Ontario Auditor General has found that it will take $20 billion to bring that province's highway system to a satisfactory level. Provinces and municipalities throughout Canada have been hard hit by the Tory recession so the federal government must participate in a shared program of infrastructure reconstruction.

The federal government should identify all federal transportation responsibilities that require upgrading, including VIA Rail, CN, CP, marine facilities and funding for provincial transportation services.

Federal investment in Canada's infrastructure is long overdue and would assist Canada's economic recovery while creating desperately needed jobs. The projects that would result would also make many of our highways safer.

The finance minister's economic statement yesterday was bad news for transportation in Canada and bad news for the economy. It is a shameful product of a Tory government that has lost the right to govern.

* * *

INTERNATIONAL DAY OF DISABLED PERSONS

Mr. Bruce Halliday (Oxford): Mr. Speaker, the United Nations has declared today, December 3, as the International Day of Disabled Persons.

Canada must invest in all her citizens, including persons with disabilities, if we are to ensure that the Canada of tomorrow will be strong and competitive. Such a commitment has been clearly demonstrated in recent years by our annual National Access Awareness Week and the current five-year National Strategy for the Integration of Persons Disabilities.

Canada is recognized as a world leader in integrating disabled persons into the community.

Earlier this year we hosted Independence '92 in Vancouver. In October the Secretary of State, the minister responsible for the status of disabled persons hosted the first ever International Conference of Ministers Responsible for Persons with Disabilities in Montreal. A few days later he addressed the UN General Assembly in special session to mark the end of the Decade of Disabled Persons.

Today, as we recognize the International Day of Disabled Persons, I congratulate the Prime Minister and the Secretary of State for their vision, energy and leadership in working for equality of opportunity for persons with disabilities, both in Canada and around the world.

* * *

[*Translation*]

GENERAL AGREEMENT ON TARIFFS AND TRADE

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, farm producers in supply managed sectors are concerned about the GATT trade talks. For five years Canada and about 100 other countries have been negotiating a new trade agreement. Today the talks are deadlocked and some countries are threatening to impose tariffs.

Canadian farmers have been well served by GATT article XI. They want it to be maintained. The government must help them now and give them the assurance that article XI will be kept.

* * *

ECONOMIC RECOVERY MEASURES

Mr. Gaby Larrivée (Joliette): Mr. Speaker, I must say I welcome the economic recovery measures announced by the Minister of Finance. First of all, the government is maintaining a sound and responsible economic policy. Second, the government is introducing measures to help small businesses.

We all know that small business is the primary engine of our economy and the prime creator of jobs. The government's measures include an exemption from unemployment insurance premiums for new businesses starting up in 1993.

Furthermore, a 10 per cent investment tax credit will be offered to small businesses. Finally, the ceiling for loans to individual businesses under the Small Businesses Loans Act will be raised from $200,000 to $250,000.

Mr. Speaker, I am confident that these support measures for small business will stimulate economic recovery and help Canadians who are seeking jobs.

ORAL QUESTION PERIOD

[*English*]

ECONOMIC STATEMENT

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, now that Canadians have had a chance to look at the statement of the Minister of Finance it is evident that the Prime Minister, the Minister of Finance and the cabinet just do not get it.

There is absolutely nothing in it for the unemployed. They are not attacking unemployment; they are attacking the people who are not working. There is nothing in this budget that will create jobs and create growth. That is very evident and we have made some suggestions to the government.

Why has the Minister of Finance not taken the suggestion of the opposition to plug the loopholes referred to by the Auditor General last week when he said that hundreds and hundreds of millions of dollars are placed abroad by big corporations which are avoiding taxes in Canada?

That money could be used to create a program for infrastructure as demanded by the municipalities. The government could create jobs immediately. For every dollar invested by the federal government it could have had $3 of success.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, first and foremost, there was a very sensible and affordable infrastructure program advanced in the economic plan I introduced yesterday.

With respect to the closing of loopholes, for example, financial institutions were paying $150 million a year in tax in 1984. We introduced the large corporations tax and the capital tax on large financial institutions. Last year financial institutions paid $1 billion in income tax.

In 1985, we introduced a minimum tax regime for high-income individuals. We eliminated income splitting among family members through the use of interest-free loans. We removed tax shelters based on investments in yachts, recreational vehicles and other similar properties. We terminated the scientific research tax and credit measure. We stopped the so-called carve-out transactions in oil and gas. We prevented the use of trusts and market securities issued in such a way that the capital returns to investors were distributed tax free.

I could go on to 1986, 1987, 1988, 1989 and 1990 to cite more.

Hon. Jean Chrétien (Leader of the Opposition): What a great speech. While the government did that, it produced a deficit of $30 billion every year.

Now the Auditor General tells the government there are some loopholes and it is not moving on them.

[*Translation*]

Yesterday the Government of Quebec, using the limited resources at its disposal, tabled a program that may create jobs. We suggested a program to the federal government. This summer I travelled across Canada. I spoke to the mayors of Montreal, Laval and a number of other municipalities, and they are all ready to create jobs immediately.

Why does the government not do something? Is it because when they give money to municipalities they cannot play the patronage game themselves?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the economic plan I outlined yesterday takes steps to encourage investment in growth, investment in people, investment in infrastructure, investment in trade, encouraging partnerships and takes action with respect to costs.

• (1420)

The infrastructure program announced yesterday is something that can go forward very quickly. Discussions with a number of provinces are at an advanced stage. We want to transform the commitment for these infrastructure undertakings into action as soon as we possibly can so there can be jobs created and a spin-off benefit can occur. That will not only stimulate economic activity. It will also improve the competitiveness and productive capacity of our country.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, there is something in the minister's budget that is worrying a lot of Canadians. That is the new rule forcing those who quit their jobs voluntarily out of the unemployment benefit scheme.

We have received many telephone calls today from women's organizations telling us there are a lot of people who are obliged to quit their jobs because of sexual harassment. In order to keep their privacy they are willing to take a penalty of 12 weeks but still benefit from the plan to which they have made contributions for many weeks or months.

Is it fair to oblige them now to make a case for their situation if they want to draw what they have invested in an insurance program?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I think this is a very serious question. The hon. member mentions receiving calls from women's organizations. Looking at the irresponsible and false statements made yesterday by Judy Rebick and Nancy Riche, the president of the NDP, no wonder those people are concerned out there.

Some people have interpreted this measure as meaning that sexually harassed people in Canada can no longer receive UI benefits. This is a falsehood. This is a false statement.

Sexually harassed persons are still protected. They were yesterday. They are today. They will be tomorrow. For those who are yelling on that side of the House, look at section 28 of the Unemployment Insurance Act.

Ms. Mary Clancy (Halifax): Mr. Speaker, my question is for the minister of employment. The problem is that this government has given the women of Canada a terrific choice. They can work with sexual harassers or they can quit voluntarily and go through a long and costly battle to prove their case.

Why has the minister created this mess? When will he give a clear definition of sexual harassment as just cause for voluntary quitters for a change?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, Canadians have to understand the stratagem of those petty leaders out there. This is a complete falsehood.

Sexual harassment is a just cause for any Canadian to quit his or her job. Yes, we have people who say that we should keep it under a lid, that we should not expose the harasser and we should let the woman suffer sexual harassment. This government is saying no to that. In Canada, a sexually harassed woman or man can quit his or her job and receive UI benefits. This has not changed.

Ms. Mary Clancy (Halifax): Mr. Speaker, I spent four years as the chair of the Unemployment Insurance Appeal Board. I know what it takes to prove just cause.

This government is forcing Canadian women to sacrifice privacy if, in their poverty, they can afford it. Why is the minister targeting women and worsening the nightmare of sexual harassment? It is a nightmare.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, if the hon. member is sincere about her preoccupation, stop spreading the lie that women will not be protected under the act. They will have protection. They have protection and that provision of the Unemployment Insurance Act has not changed.

Mr. Speaker: I listened very carefully to what the hon. minister said. He said that she should stop spreading that lie. I want the hon. minister to make it quite clear that he was not suggesting that the hon. member was lying.

Mr. Valcourt: Mr. Speaker, you are exactly correct. I did not say that she was lying but that she was spreading what Rebick and Riche said yesterday.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, an analysis of the Minister of Finance's economic statement yesterday indicates that there will be a net loss of 62,000 jobs because of the measures the government has introduced. The minister's statement is a failure by every measurement.

The first reaction today is that a manufacturing plant in Quebec has filed for bankruptcy putting 400 workers out of work. The General Motors plant in St. Catharines is looking at selling off or closing down and another 800 workers will be affected.

This country cannot afford more job losses. The Minister of Finance's economic statement creates a net job loss. Will the minister do the right thing and withdraw this economic statement before further harm is done to this country?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, no. It is a responsible and affordable approach. If the hon. member wants to get the economy of Ontario going perhaps she could speak to her friend, Premier Rae.

A headline in the November 14 *Toronto Star* read: "NDP is blamed for job losses. Ontario's economy, particularly the manufacturing sector, continues to be racked by massive job losses and Queen's Park is being blamed". Another quote: "The Ontario NDP government with a vicious high tax punch to the solar plexus: It knocked Ontario businessmen to their knees, then it smashed its labour legislation over business' head. Now as business lies dazed and bleeding on the floor Premier Bob Rae's government is prepared to deliver—"

Mr. Speaker: The hon. member for Yukon.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, the sign of a truly bankrupt government is when it cannot defend its own policies and has to put the blame on someone else.

The Minister of Finance in his statement yesterday said that he had some choices. I would suggest the minister had many choices but this government chose that it would prefer to close hospitals rather than tax loopholes.

The minister had another choice. For instance, a 3 per cent drop in Canada's interest rates would have saved almost the same amount of money that was slashed from programs through the minister's economic statement. A 3 per cent drop in interest rates would also have created 120,000 jobs.

The minister knows very well that the government's policies influence interest rates in this country. Why did he choose to penalize the victims of this recession rather than take positive steps toward lowering interest rates?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, again we see the bankruptcy of ideas coming from over there. I presented

a plan on behalf of the federal Government of Canada. Where is the NDP's plan?

We know what the Ontario government has done to exacerbate the unemployment problem in Ontario.

The hon. member talks about a 3 per cent drop in the interest rate. What kind of fiscal and monetary policy would she propose to bring a reduction of 3 percentage points in the interest rate? You cannot just dial a phone and get a reduction of 3 per cent in interest rates.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, the government has chosen a policy along with the Bank of Canada to focus solely on the reduction of inflation and not the creation of employment. It has resulted in gross unemployment and an increased deficit.

[*Translation*]

I have another question for the Minister of Employment and Immigration. The most inhumane thing that was announced in yesterday's budget is perhaps the change in the unemployment insurance program. It is an assault on workers who will be forced to hang on to any kind of job, no matter how unbearable. It will put an end to labour mobility and cost taxpayers, provinces and territories alike, hundreds of billions of dollars. The minister claims that such a change is justified.

• (1430)

I would like to ask the minister the following question. The government must do away with this new policy. Is it going to do it now?

[*English*]

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, will the leader of the NDP ask the president of the NDP, Nancy Riche, to retract the false statement she made yesterday, misleading Canadians?

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I also have a question for the Minister of Employment and Immigration.

First, I want to say to him that the vicious plan of his to make culprits of all those who quit or who are fired is a throwback to the sweat shops of pre-industrial England. It stacks the odds so ruthlessly in favour of the employer and puts women in particular at risk in terms of sexual harassment.

The minister says they will have their day in court. Yes, and who pays the bills and who buys the groceries in the meantime? I ask the minister why is he, by this measure, aiding and abetting sexual harassment in the workplace?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, Canadians have to wonder. Yesterday in the statement of the finance minister there was not one iota of reference to the nature of what is a just cause for quitting a job in Canada, not one word.

I want Canadians to know that the only issue is that voluntary quitters, people who quit a job for no good reason, can no longer expect hardworking Canadian workers and employers to pay them benefits for having quit a job for no just cause.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, can the minister not get it through his head that establishing just cause takes time and you have to buy the groceries while that time goes on.

The minister will be aware that Newfoundland has the highest unemployment rate in Canada. He will be aware that two-thirds of the country's lowest income earners are women. The minister's decision to target those who quit or who are fired is a sinister, cowardly assault on the poor regions and on women. I say to him that it is those regions and those women who will be compromised.

Can the minister give us one good reason why he persists in this madness? Or does he get his jollies out of kicking people while they are down?

Mr. Speaker: Just a moment. I think on both sides for the rest of this Question Period I want some concentration on making sure that there are no personal affronts thrown across the floor of the House.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, if the hon. member wants to reflect on his question he is talking about a process under the Unemployment Insurance Act that was not raised at all in the statement of the finance minister yesterday.

Canadians have a right to know this. This department has dealt with the issue of just cause for 42 years. There is a process in place. The instructions to the officers are to give the benefit of the doubt to the applicant. That is

why this unemployment insurance fund costs workers and employers in Canada $21 billion this year.

Surely Canadians will support the screening out of a person who quits his or her job for the purpose of sitting at home and drawing UI while there are people who work hard to pay those premiums. This is about justice and fairness to the workers of Canada.

[*Translation*]

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my question is for the Minister of Finance.

Hundred of thousands of unemployed and poor Quebecers were expecting the government to finally break its silence and choose the real priorities in its budget. Fixing two bridges, Mr. Speaker, is hardly enough.

My question is this: how long does the government think it can keep on fooling Quebecers and the Canadian people with its amateurish policies and its total lack of vision to stimulate growth?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I am quite surprised at the hon. member's question. Quite frankly, we laid out an economic plan yesterday that deals, in a very comprehensive way, with investment and growth, improvements in the small business sector, R and D and transforming into a new economy, investment in people through enhanced and improved training programs, and an infrastructure program that can be started and expedited very quickly, with emphasis on the Atlantic region, the province of Quebec, and Ontario and in all regions of the country to deal with some of the bottle-necks in transportation that are under the jurisdiction of the federal government. That applies to bridges, roads and parks.

We also outlined our steps to invest and enhance our trading opportunities and to promote partnerships not only with other governments but with the private sector, and then, of course, very comprehensive action with respect to the containment of costs. It is a blueprint that deals with the problems that we face today and the problems of the future.

Mr. Paul Martin (LaSalle—Émard): It is a blueprint for poverty and for unemployment.

Mr. Speaker, the government's training programs do not meet one-third of the current demand. The government talks about pharmaceutical research but it has cut research grants to universities and it has decimated Canada's ability to develop environmental technologies.

Montreal has the highest unemployment rate and the highest poverty rate of any major city in Canada. Does the government really think that cutting unemployment benefits or repairing two bridges is going to turn that around?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, not to a casual observer, but to any serious observer of the economic statement of yesterday, anyone who cares to look at it must conclude that the top priority which comes out of this statement is investing in human resources.

We have increased the money for training unemployed Canadians by 450 per cent, from $400 million three years ago to $2.221 billion yesterday. Furthermore, we have increased the spending under the Consolidated Revenue Fund to further train Canadians.

As I have heard the member say, if the key to Canada's competitiveness is investment in human resources, he should applaud the Minister of Finance for what he did yesterday.

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, it is clear from his comments that the Minister of Employment and Immigration does not understand the reality of the workplace for women or for visible minorities.

Racial and sexual discrimination cases take two years even through the Human Rights Commission. How does he think that his department and his tribunals will be either better or faster? Employees cannot go without income for months and years and women will be forced to stay in abusive situations.

Will the minister please, please come to his senses and reverse this decision that penalizes the victims of discrimination?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I have a lot of respect for the hon. member but I would hope that she would talk

with the president of her party. Yesterday, Nancy Riche, made that statement—

Some hon. members: Oh, oh.

Mr. Valcourt: This is serious for the women of Canada. If there is one woman in this country who is sexually harassed and because of the statement made yesterday by the president of the NDP, stays in place and continues to be sexually harassed, you have not rendered a service to that Canadian woman. The fact is that person should quit her job, expose the harasser and she will be protected.

Some hon. members: Oh, oh.

Mr. Steven W. Langdon (Essex—Windsor): The fact is, Mr. Speaker, that this minister does not understand what is happening right across this country to people who are being pressed by economic circumstance and are facing discrimination and harassment. He should understand it.

• (1440)

I want to ask the Minister of Finance this. This morning we discovered that the four U.S. states of Michigan, New York, Ohio and Pennsylvania have this same policy, of cutting off unemployment benefits from those who are fired or who quit.

Will the Minister of Finance admit that this mean new policy that he has brought in is to harmonize this Canadian social policy with supporting policies of United States' states and to forget about the values that Canadians hold dear?

Some hon. members: Oh, oh.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the proposed UI changes have nothing to do with the social programs of our trading partners.

We are making these changes because they are the right thing to do at this time of our fiscal situation. Canadians know that our social programs will continue to provide, by world standards, very generous benefits to unemployed Canadians.

Maybe the hon. member will not admit it but the treatment of an unemployed person in Canada is still better than in France, in Japan and even in the United States of America.

Mr. Maurizio Bevilacqua (York North): Mr. Speaker, my question is for the Minister of Employment and Immigration.

Yesterday's shocking and heartless statement by the Minister of Finance was a vicious assault on the unemployed. The minister boasts about a $300 million training program. However, the minister fails to tell Canadians about the $2.4 billion he robbed from the unemployed.

Why are the unemployed paying for this government's economic incompetence?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I am sure the hon. member understands that when we are under extreme fiscal pressure a number of measures have to be taken—

Mr. Peterson: Because of your incompetence.

Mr. Mazankowski: He says because of my incompetence, Mr. Speaker. The current Leader of the Opposition, when he was finance minister back in 1978, brought in a budget that reduced the weekly benefits from 66–2/3 per cent to 60 per cent of weekly insurable earnings. Furthermore, at that point in time the costs of the unemployment insurance program were $4 billion. What did the then Minister of Finance take out of the unemployment insurance program; $935 million to take effect in 1980 and 1981.

There comes a time when finance ministers and governments have to make tough decisions. We have made some very difficult decisions but we have not been as heartless as the current Leader of the Opposition, the former Minister of Finance.

Mr. Maurizio Bevilacqua (York North): Mr. Speaker, this country does not want researchers. What we want is leadership by this government.

It is clear that this government is out of touch with reality. There are 1.5 million Canadians who are unemployed; 2.2 million live on welfare; 400,000 young people are unemployed and this government has decided to stay the course, the course that has brought on this economic recession. It is time for change.

Will the minister introduce a serious economic plan that will put Canadians back to work?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, when the Leader of the Opposition was the finance minister he cut one million Canadians and inflation was running at 9 per cent at that particular time.

What we have in this economic plan is clearly a plan for the future: investing in people, investing in plant and equipment, investing in infrastructure, investing in partnerships, enhancing trade, adjusting to the new realities, adjusting to the realities of a newly emerging economy. That is leadership.

You cannot adopt policies for a world as you think you would like it to be; you have to adopt policies for the world as it is.

* * *

TORONTO ECONOMY

Mr. Sergio Marchi (York West): Mr. Speaker, my question is also for the Minister of Finance.

Last month in Toronto alone 1,000 additional families were added to the welfare rolls, bringing the total number of recipients to a record 108,000 families and costing over $1.5 billion. These figures are surely to rise after the minister's mini budget yesterday.

Rather than attacking the unemployed and their benefits as he squarely did yesterday, which will only push more families on to the welfare rolls, why did the government refuse to stimulate the Toronto centred economy seriously in order to create and emphasize job fare rather than more welfare?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the purpose of the statement yesterday was to create jobs and take people off unemployment and take people off welfare. That is the over-all objective, building upon the initiatives taken in the February budget which really zeroed in on the economy of Ontario.

In the manufacturing and processing sectors we took a number of positive steps to improve the capital cost allowance. We took steps to reduce the burden of taxes. Yesterday we announced no new taxes. As a matter of fact we froze UI premiums. We provided incentives for people to go out and hire new people. We provided further incentives to the small business sector because that generates 80 per cent of the jobs.

Insofar as what the hon. member is suggesting about overlooking Ontario, some $230 million are allocated for Ontario in terms of infrastructure, to improve the rail initiatives and the runways.

We will be sitting down very soon with each of the provincial governments to work out the kinds of sharing arrangements that are reasonable so that we can get these projects going very quickly and that the provinces will have some input and some say into the priorities they wish us to proceed with.

Mr. Sergio Marchi (York West): The minister says that in due course they will be sitting down. Mr. Speaker, this province has been waiting for eight years for some concrete proposals to put Canadians back to work and it is still waiting.

Since the minister talked about Ontario, given that the province of Ontario has suffered 80 per cent of all lost manufacturing jobs in the country, that its housing industry remains terribly weak at best, and that its construction and trade sectors are absolutely flat, how can the government be so disconnected and out of touch with reality to be able to ignore the urgent need to stimulate seriously—not the pap we have had—the Ontario economy which happens to be one of the major engines of economic growth in this country?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I agree with the hon. member. The economy of Ontario is a very major engine of economic activity accounting for about 40 per cent of the economic activity in Canada.

With respect to the infrastructure proposals I can assure the hon. member that starting today—and this would be a continuation of some earlier discussions we have had with the provinces—we will go to work to get these infrastructure projects on the road.

The hon. member talks about housing. There has been a very impressive pick-up in housing due to the policies that we announced. Yesterday I announced the extension of the RRSP program.

The hon. member has further comments about what we should be doing to assist the economy of Ontario. I read this headline: "NDP blamed for job losses in Ontario". I am sure the hon. member would agree with that. You cannot have a government that is anti-business and expect them to create jobs. That is something that we—

• (1450)

Mr. Speaker: I think we will have to move on.

* * *

ECONOMIC STATEMENT

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, my question is for the Secretary of State for External Affairs. It concerns the announced massive cuts in Canada's development assistance which will not only affect aid-related jobs in Canada but which will have a devastating impact on our commitment to the global fight against poverty, AIDS and environmental destruction.

At a time when 40,000 children are dying each day of preventable disease and hunger, how can this government defend these inhumane cuts while spending over $4 billion on attack helicopters? Will the minister at the very least assure the House that these savage cuts will exempt not only famine relief but also support for NGOs and aid for meeting basic human needs, particularly those of women and children?

[*Translation*]

Hon. Monique Landry (Minister for External Relations and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, since 1984 this government has certainly made it clear that it was committed to pursue programs in aid of third world countries.

Of course, our international concerns and domestic concerns are interrelated. If Canada is ever to provide more assistance it has to start by putting its fiscal house in order. Only then will it be in a position to increase its foreign aid budget. That is what we are doing by continuing to discharge our commitments towards the poorest of the poor, the women and children in the third world.

[*English*]

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, my question is for the Minister of Finance who seems to be running the environment department these days.

Yesterday's Tory blueprint clearly made it a black day for the green plan. This government's failed commitment to the environment took another step back with the third cut to the green plan. This will mean cuts to the Fraser River Management Plan, Tree Plan Canada, and the clean-up of the St. Lawrence River and the Great Lakes. No opportunity was taken to develop new and innovative jobs in the environment.

When will the government finally defend the environment instead of trashing it all the time?

Hon. Pauline Browes (Minister of State (Environment)): Mr. Speaker, it is incumbent upon us personally and collectively to curtail further deficit increases. Under the green plan there will be a reduction of $60 million this year, with a reduction in the following two years of 10 per cent. Given that, there will be an increase of some 30 per cent in spending on the green plan even after those cuts are done.

In terms of priorizing the aspects of the plan the hon. member has mentioned, those decisions have not been taken yet and they will be taken collectively by the cabinet of this government.

[*Translation*]

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is directed to the Minister of Finance. Yesterday's economic statement includes a measure concerning flow-through shares to promote investment in junior oil and gas companies. It provides for yearly write-offs totalling nearly $10 million to finance exploration.

I would like to know why the mining industry is excluded from this measure affecting small companies starting up in Quebec?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, what we did yesterday for small explorers and oil companies was to bring the policy in line with the mining sector because they currently have those provisions.

What I did indicate was that the Income Tax Act would be amended to provide more flexibility to the mining sector to utilize its non-capital losses in the same way as it utilizes its capital losses.

SEXUAL OFFENDERS

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, my question is for the Solicitor General.

Last week Wray Budreo, a sexual deviant with a 30-year history of molesting children, was scheduled to be released from prison after serving only four of a six-year sentence.

It seems to have taken public outrage to force a last minute delay in his release, preventing this paedophile from going back on the streets where undoubtedly he would have continued his record of attacking children.

What is the Canadian government going to do to prevent the release of dangerous offenders such as Wray Budreo? Surely such a person should be put away for life.

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, the House will know that Bill C-36 came into effect recently. That considerably tightened up the regulations and the law with respect to sexual offenders.

There is a concern remaining with respect to high risk repeat sexual offenders. We are presently reviewing three possibilities: first, broadening the use of dangerous offender applications; second, reviewing the definition of the words serious harm to make sure that it is appropriate; and, third, working within present mental health laws rather than criminal laws to detain high risk repeat sexual offenders beyond the conviction for which they are serving time.

* * *

ECONOMIC STATEMENT

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, my question is for the Minister of Finance.

In the highlights from yesterday's economic statement we will find many charts but none that mention unemployment. Perhaps the minister is ashamed that Canada has the highest unemployment rate in the G-7.

I ask the minister to rise to the challenge of the highest unemployment in the G-7 and put an end to this episode of "Maz" misery.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I acknowledge that the unemployment levels are too high. There has been some improvement in employment generation over the last five or six months. I think I was quite honest with the House and with the Canadian people that one of our biggest problems is the fact that the growth that is generated is insufficient to generate the kind of job potential we need.

Hopefully, with the pick-up in the U.S. economy and with the initiatives we took yesterday, the specific initiatives with respect to infrastructure and the other incentives, we will have a pick-up. We are expecting 300,000 new jobs to be created in 1993. I wish it were better but this is one of the problems we are facing as we go through this period of transition.

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, the minister keeps telling us that Santa Claus is coming but all his elves are out of work.

My supplementary question is for the same minister. The minister has pledged to give new businesses a break by forgiving their UI premiums for 1993. The minister's plan may be nothing more than a disguised first step in dumping the entire UI burden on to the backs of workers.

I ask the minister if his plan to dismantle the UI system is also the beginning of a new tax on the working class.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member's observation is absolute nonsense. When she talks about the difficulties Canada has I would remind her that in terms of the G-7 community the unemployment figures have risen from 18 million in 1990 to 23 million in 1992. It is not only Canada that is having this employment problem. Other countries are having similar problems.

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, my question is for the Minister of Finance.

Yesterday the minister continued to ignore tax shelters for the very rich identified by the Auditor General. He continues to attack low and middle-income Canadians.

Will he tell us precisely how his 10 per cent cuts will apply to regional development, transportation, western diversification, ACOA, agriculture and native programs?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member's question allows me an opportunity to complete an answer I started in the earlier part of Question Period. I outlined all the tightening of loopholes we undertook in 1985.

In 1986 we introduced the at risk rules to restrict the tax credit and business loss claims of investors in limited partnerships. We removed the tax advantage of salary deferral arrangements. We restricted the ability of corporations to engage in after tax financing through preferred shares. We prevented the use of commercial trusts to avoid tax in a manner unintended by the law.

In 1987 we the government introduced a phased reduction in the extent of the acceleration in capital cost allowances. We reduced the reserves claimed by financial institutions.

• (1500)

An hon. member: Right.

Mr. Mazankowski: We imposed a creditable capital tax on large deposit taking institutions and we introduced the general anti-avoidance rule. In 1989 we constrained the ability of corporations to transfer the benefits of accelerated capital cost allowance through leasing.

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, he does not tell us about the 34 or 37 tax increases for middle and low-income Canadians. Will the minister tell us why he is reducing the Crow benefit by $73 million next year and $104 million the year after? Does he not know that some of our prairie producers have big problems? Does he know what this is going to do to increase the cost of moving grain across the prairies?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member is an expert on the Crow. I have seen some articles he has written. He would also be interested in knowing that under the GWTA in excess of $800 million is being paid out by the federal government.

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I am wondering if the government House leader could indicate to the House the business for tomorrow, Monday, Tuesday and Wednesday of next week.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, at this point it would be my intention to call Bill C-93, the government organizations bill, at second reading for tomorrow.

I would like to formally designate Monday as an allotted day, the final allotted day of this period. On Tuesday we anticipate starting report stage of Bill C-91, the Patent Act. I will be talking to the opposition House leaders in respect of further business until adjournment or until we come back after we adjourn.

Ms. Clancy: Question of privilege.

Some hon. members: Point of order.

Mr. Speaker: The hon. member for Halifax. A minister and a member have risen on a point of order. I have indicated that I should hear the question of privilege first.

* * *

PRIVILEGE

COMMENTS DURING QUESTION PERIOD

Ms. Mary Clancy (Halifax): Mr. Speaker, I rise on a point of privilege arising from the response of the minister of employment to my question earlier. The minister accused me of spreading lies. He then said he did not call me a liar. He did however say I was spreading lies. As far as I am concerned, that allegation not only impugns my integrity but it also impugns by intelligence.

SPEAKER'S RULING

Mr. Speaker: The hon. member has raised a matter which came up during Question Period. Hon. members will remember I did rise and I did ask the hon. minister to make it very clear that he was not calling the hon. member a liar or imputing lies to her.

The minister responded and at the time I thought that was adequate. I have listened to the hon. member but I think the matter is closed. However, the hon. member's further intervention on this matter, making it necessary for me to rise again, indicates to all hon. members how careful we must be when we are describing motives of

less than honour to any member on either side of the Chair. I thank the hon. member for the intervention.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I do not want to belabour the point in terms of your ruling. I would merely point out that we have been accused today in Question Period of attacking the poor, being heartless, being out of touch and all of those things and frequently we get shouted down when we address the House. If those things were a point of privilege, I am afraid we would spend all day discussing points of privilege.

* * *

WAYS AND MEANS

TABLING OF NOTICE OF MOTION

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, pursuant to Standing Order 83(1) I wish to table a notice of Ways and Means motion to amend the Customs Tariff, the Excise Act, the Excise Tax Act, the Customs Act, the Criminal Code and a related act, and I ask that an Order of the Day be designated for consideration of the motion.

* * *

POINTS OF ORDER

COMMENTS DURING QUESTION PERIOD

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I rise on a point of order of which I have given notice to the Minister of Employment and Immigration and yourself. It is related to the matter on which the member for Halifax rose.

During Question Period today the Minister of Employment and Immigration very clearly accused two individuals, who are not members of this House, of being liars. The traditions of Parliament provide for free speech in this House and that members who say things in here are immune from any prosecution or any action because of their comments.

However, in Beauchesne's sixth edition on page 22 under the section "Freedom of Speech", it states:

> 77. Freedom of speech does not mean that Members have an unlimited or unrestrained right to speak on every issue. The rules of the House impose limits on the participation of Members and it is the duty of the Speaker to restrain those who abuse the rules.

I would argue that had the Minister of Employment and Immigration said the same words outside of this House the two individuals, Judy Rebick and Nancy Riche, who were named by the minister repeatedly, would have the right to seek legal remedies.

I would suggest that the minister has crossed the fine line in this House, has used his position to abuse two individuals who spoke what they believe to be true and we believe to be true. I think, Mr. Speaker, you should ask the Minister of Employment and Immigration to withdraw those accusations against Ms. Rebick and Ms. Nancy Riche and apologize to them as well.

Hon. Bernard Valcourt (Minister of Employment and Immigration): We will spare the hon. member the protection of the House. I made that statement last night outside as soon as I heard it. It is on the record. If they want to sue me, be my guest.

Mr. Speaker: The hon. member for Thunder Bay—Atikokan has raised a matter with reference to the text on the rules. I would ask him to let me examine carefully *Hansard* and I will come back to the House.

RULING ON QUESTION OF PRIVILEGE

Mr. David Dingwall (Cape Breton—East Richmond): Very briefly, Mr. Speaker, I am wondering if the Chair could provide guidance to the House with respect to your ruling with regard to the point of privilege which has been raised by my colleague, the member for Halifax. Perhaps while the Chair is reflecting, he could indicate to the House as to what really is the difference between calling someone a liar and saying someone is spreading lies.

Mr. Speaker: I will try to be as helpful as I can. The Chair is in the position of having to make rulings sometimes very quickly. I made a ruling. I have asked the House to accept it. I do not now intend to discuss it further.

I have thanked the hon. member for raising the matter. I have asked the House to keep in mind that

when statements are made that get either close to the line or over the line, it causes further statements along the same way.

I cannot be put in the position of re-examining a ruling that I made in the heat of debate and then discussing it further. That is asking more of the Chair than I think is appropriate.

Mr. Dingwall: Yes, Mr. Speaker. I was not questioning or reflecting upon your ruling. In point of fact, we accept the ruling of the Chair.

I seek the guidance of the Chair to try to provide some direction to members of this House in terms of the particular dispute that was in question. I would hope that the Chair would reflect upon my request because I believe it to be a very serious thing that has happened here today.

Mr. Speaker: The Chair will reflect upon it but I am just asking hon. members please do not put the Chair in the position where many minutes later, after a decision has to be made as I said in the heat of conflict, to get into a philosophic discussion about the very matter upon which the Speaker has ruled.

If the hon. member or any other hon. member wishes to come to my office and discuss this matter, I of course will hear them. I am trying as much as is possible, and I am sure that all hon. members are very supportive of this, to try to maintain proper decorum in the Chamber. That is why of course I rose some time ago and said that I hoped that everyone would constrain themselves for the rest of Question Period and not make statements which are personal affronts on other members whether it comes from either side of the House. I recognize the point of my colleague, the hon. member for Cape Breton—East Richmond, and I will reflect on the matter.

• (1510)

BUSINESS OF THE HOUSE—WEEKLY STATEMENT

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I tried to get the attention of the Speaker going back to the questions raised by the House leader of the opposition to the House leader of the government about the work of the House over the next several days.

As you will know, he mentioned that Bill C-91 was coming forward. I was going to ask him whether he would make an undertaking that in view of the use of time allocation on the second reading of the bill and in view of the fact that the committee hearings have been very much shortened that this House at report stage would have an opportunity for a full and thorough debate of the bill without an attempt to close off the bill by either time allocation or closure motion.

Mr. Speaker: First of all in response let me say that I apologize to the hon. member for Surrey North. There were a number of members rising and I did not realize that the hon. member was on the usual Thursday afternoon question raised by the hon. member for Cape Breton—East Richmond. Therefore, I ask the hon. member to accept my apologies.

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I was seeking the floor on another matter and I accept your response on the question of the C-91 intervention.

If I may, while I am on my feet, I would like to respond to a question of privilege raised last Monday by the hon. member for Essex—Kent.

Mr. Speaker: Let us not get ahead of ourselves. The hon. member for Surrey North has raised a matter. The government may want to respond or it may want to discuss it with the hon. member. If there is no response then I am going to go ahead.

Mr. Karpoff: Mr. Speaker, I certainly recognize that the oversight by the Speaker was not intentional and I do not take any affront from that. However, I do think that it is very important that that question be answered by the government, if not by the House leader then the House leader's parliamentary secretary.

We have a major piece of legislation that we have to plan for and to have some understanding on. The significance to the Canadian public and to provincial governments is great. We need some commitment from this government that it is not going to use time allocation again or closure to ram that bill through this House.

Mr. Edwards: Mr. Speaker, I just want to draw to the hon. member's attention that there was an all-party agreement in committee on this particular bill—

An hon. member: No, there was not.

Mr. Edwards: —in which 22 hours of witnesses were scheduled. There was also by consent an order whereby the clause by clause study was to be finished by five

o'clock today and it was to be reported back to the House tomorrow.

I just point out that was done by consent not by time allocation, just to make sure that the record is very clear.

I cannot anticipate precisely how Bill C-91 will be dealt with when it is reported back to the House. We all try to be prophets and seers in this business but I think it would be foolhardy for anyone to try and put any kind of such speculation on the record.

When the bill is reported back I expect that it will be called for debate as the hon. House leader indicated. Beyond that I cannot speculate.

Mr. Speaker: I will just point out that the hon. member for Surrey North has made his point and this is not a place for debate.

Mr. Karpoff: Mr. Speaker, just to correct the record, we were informed that the government would proceed and report that bill back to the House without any witnesses or debate and based on that we agreed on division to allow the government to put forward a motion that was passed on division.

Mr. Speaker: I think we had better move on.

REMARKS DURING DEBATE ON BILL C-98

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, yesterday evening during an orderly debate on Bill C-98, I raised a question of the ILO of the UN criticizing the Canadian government's handling of its own employees.

I said it was the ILO that reached this decision. The minister in his response suggested that it was a subcommittee of the ILO as reported on page 14473 of *Hansard*. I sent him some material today but unfortunately he had to leave before we could get to this point.

I wanted to give him an opportunity to either change the record and agree with me that it was the ILO, the full governing committee, or else argue with me.

Mr. Speaker: I appreciate the hon. member's diligence, but I do have to point out that is getting into debate.

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

BUSINESS OF THE HOUSE

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, perhaps I might help clarify the situation raised by the hon. member for Surrey North.

I was going to ask a question anyway but the matter was raised by the hon. member and the point of privilege got mixed up with the points or order.

My question in terms of government—

Mr. Speaker: No, the point of privilege was put ahead of the points of order.

I perhaps failed to see the hon. member rising. The reason we proceeded was because I had to take the question of privilege.

Mr. Nowlan: Mr. Speaker, because I now have the floor I ask a question to help clarify the matter.

Is it the intention of the government to conclude in this Chamber debate on Bill C-91 before the House rises, as it is expected to, for the Christmas recess on December 11?

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, there always are fondly held objectives by the government as we approach a break of season.

It is a fondly held objective of the government to complete debate on Bill C-91, if that is at all possible. What I will not speculate on and I cannot speculate on is whether any extraordinary parliamentary practice might be used to expedite that. That would be anticipating. We do not at this stage know fully what the prospects for passage of the bill may be and we have to, in good faith, expect that there will be the usual co-operation from all sides of the House.

Mr. Speaker: The hon. member has a further point?

Mr. Stupich: Mr. Speaker, we are not getting into debate. That is not what I was trying to do. I said that it was the governing body of the ILO. The minister said it was a subcommittee. I want to give him an opportunity to correct himself.

Mr. Speaker: I understand perfectly well the point the hon. member is making. Often members do rise on a quick point of order to add some clarification to debate. That is really what it amounts to. The minister may or may not respond.

In any event, the hon. member has made his point.

PRIVILEGE

CANADA POST CORPORATION

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, on Monday, November 30, the hon. member for Essex—Kent rose on a point of privilege to make certain claims about the practices of Canada Post Corporation.

I have had an opportunity to make some inquiries and I am happy to report to the House and to my hon. friend some of the facts in the matter.

This is by way of support of the government position. What the hon. member has raised is not properly a question of privilege.

As I understand the hon. member for Essex—Kent, he was suggesting that a certain written communication by Canada Post Corporation from its government relations section seemed to indicate that there was some sort of discrimination or restriction on the flow of information about Canada Post retail outlets to certain members of Parliament. That constituted a breach of privilege.

The facts of the matter, as I understand them, are that there has been a rather elaborate restructuring of the retail network of Canada Post Corporation. I believe there has been a net increase of some 4,000 retail outlets and considerable turnover as there are many retailers seeking these outlets to build traffic for their conventional businesses.

• (1520)

It is true that Canada Post Corporation does brief selected members of Parliament on upcoming postal changes in their ridings. But this is regardless of political affiliation. The House will recall that when the Crown corporation was created in 1981–82 it was mandated by all parties and was to operate free of political interference and that of course is still the case today.

I am informed that in certain cases, when members of Parliament have shown a keen interest in postal changes in their ridings, understandably the corporation's government relations function extends best efforts to keep those members of Parliament fully informed.

With the turnover in these postal outlets not all ridings are affected at any given time and it is quite possible that certain ridings would not be affected at all. But the fact remains, and I am assured that this is the case, that whenever a given member of Parliament, regardless of party has exhibited an interest in postal matters, that member is flagged as having such an interest and a full effort is made to brief the member on upcoming changes.

If the hon. member had some specific information about a specific member of Parliament and a specific situation I am sure that the corporation and my colleague, the minister, would be very pleased to respond to it. However, I believe that these facts bear out that there has not been a widespread or even a specific breach of privilege due to the particular corporate communications policy of this Crown corporation.

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, I very much appreciate the point that has been brought forward here. However, it is important to review why the breach of privilege has been brought up.

There is a memo which I submitted. I confirmed with representatives in Canada Post that it was the Canada Post memo in question. It talked about changes in retail postal outlets and it also talked about retail postal closures. It stated very clearly emphasizing in brackets in advance that the corporation would choose to notify people when closures occur; whether it notified people or not notified people was really up to the Canada Post Corporation.

The problem enters the picture when a member of Parliament attempts to do his job. As Canada Post critic I must know what is happening in order to work on behalf of constituents or members of this country where their postal services are being altered, changed or taken away.

In this case the management of Canada Post clearly emphasized the point in advance and therefore is holding back information which would help me operate in my role as critic.

The same argument comes forward from every member in this House because if members have several retail postal counters closing in their ridings and are not notified in advance they do not have the opportunity to ask the proper questions of the government, to question why these closures are occurring, and be able to transmit

that information to their constituents and answer questions about it.

Whether it is on the government side or whether it is on the opposition side is not the question in this case. The question is that proper communication of information is being stopped by an open memo in Canada Post which I believe affects the operations of members in this place and their right to take information to their constituents and citizens across this country.

SPEAKER'S RULING

Mr. Speaker: I understand very well, having been a member of Parliament for some years, as the hon. member has and other hon. members here. I understand very well the point that the hon. member is making. The question is: Is it a question of privilege?

First of all, clearly, as the parliamentary secretary stated, whatever the policy of Canada Post is in this particular case, it is conceded that it is not something which the government of the day has created.

The hon. member has raised a matter which is of importance. I think we would all hope that Canada Post is made aware of this exchange, the hon. member's intervention a few days ago, the response by the parliamentary secretary, and my own comments.

I have to find under the circumstances that it falls short of privilege although it is a matter of concern. I hope that the hon. member by raising it will have corrected the problem as he and others may see it.

Mr. Rod Murphy (Churchill): Mr. Speaker, I was trying to catch your eye before you rose but I did not have the opportunity. I know it was not by any oversight on your part.

On the same issue I have also read that document and am very concerned about the implementation and implications of that document. I understand that the parliamentary secretary to the government House leader has looked at the document and has given his understanding of what the document meant.

However, yesterday during Question Period the member for Okanagan—Similkameen—Merritt and myself both asked questions on that document to the minister responsible for Canada Post who also happens to be the government House leader.

He denied in his answers any knowledge of this document.

I think it is incumbent on the minister responsible for Canada Post—and I am sure his parliamentary secretary can tell him about the document, show him that document, look at that document, talk to Canada Post, and make sure that all members of Parliament are treated equally by that Crown corporation.

Mr. Speaker: The member has made a point. I have made the ruling with respect to the application and I am sure the hon. members will have noted the exchange and the interventions and I thank hon. members.

GOVERNMENT ORDERS

[*English*]

BORROWING AUTHORITY ACT, 1992–93 (NO. 2)

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Mazankowski that Bill C–98, an act to provide additional borrowing authority for the fiscal year beginning April 1, 1992, be read the second time and referred to a legislative committee in the Economics envelope.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, when I taught at the University of British Columbia I was known by my students as "old motor mouth". I could give a 15–minute lecture in 10 minutes if pressed, but I will try to spare the translators the agony of keeping up with that pace.

I am delighted to have an opportunity to participate in this discussion of the Minister of Finance's statement and the motions coming from it. I would like very briefly to say a few things from my perspective as a minister who participated in the cabinet committee that advised the minister and as a senior minister from British Columbia.

I want to say first of all that in dealing with the problems we are trying to address, the deficit and the debt, the whole exercise of dealing with budget cuts is a very difficult one. I think that all of us who come here to be members of Parliament, and those of us who serve in

the government, are anxious to do constructive things, to build things. Budget cuts are not the task that we welcome, that we think of as part of our job.

To say that it is a soul-destroying exercise is in many ways an understatement.

It is important to understand the responsibility that we have to future generations. In my participation in cabinet committees dealing with the issues of fiscal responsibility and budgets I have often pressed our officials from the Department of Finance as to whether there are any demographic changes or shifts that might suggest that a couple of years down the line some of the pressures we are addressing would be eased and it seems that the light at the end of the tunnel is always an oncoming train. We have an unavoidable responsibility to try to ensure that we get our deficit and debt situation under some kind of control.

At the same time we are experiencing an international economic slowdown, one that has affected some of our major markets. As a trading country that affects us enormously. Until just last year Ontario was the United States largest trading partner, not just Canada but Ontario alone.

• (1530)

We can see in Ontario the impact on its industries when the purchasing power of its major market has been seriously lowered as a result of an economic recession and very slow growth. We recognize the need to try to find some balance between fiscal responsibility and the need to stimulate and provide opportunity for businesses to get back on their feet and create the jobs people need, not just to create consumer confidence and a mood of optimism but to create a genuinely robust economy down the line.

This has been the exercise we have been involved in. The question of productivity is a serious one. I read in the Minister of Finance's background paper that between 1963 and 1978 we had a level of productivity in Canada that enabled a worker to expect the actual doubling of real wages within 26 years. In other words, real wages, real purchasing power, correcting for inflation, would double for the average member of the Canadian work force in 26 years. Therefore, we could actually expect to become wealthier as we got older.

At the rate of productivity we have that is an expectation that would take 70 years to fulfil. That is a very frightening statistic. Most of us do not spend 70 years in the work force. To have that doubling of our real wages would require more than our own working lifetime. That means that we have a very serious problem to address in Canadian society, our productivity, our ability to produce more effectively and efficiently. That is the other issue we have been trying to address as a government.

Doing that means not only getting our fiscal house in order but trying to rationalize our taxation system to try to ensure that Canadians have the skills they need to produce, not just to work harder but to work smarter, to make sure we have the kind of infrastructure in this country, and the capability, to maximize the creativity and abilities of a very talented and committed work force.

One thing that is going to be very valuable for my own province of British Columbia is the commitment to support the electronic highway, the system called CANARIE. I forget all the things the acronym means. The Minister of Finance also had some problems with it yesterday.

This morning on the CBC I heard a Canadian scientific adviser to the National Science Foundation in Washington commenting on this particular initiative of the government. He said that this is something that is necessary to keep Canada in the first world, that it is of enormous significance.

In British Columbia this is going to have a very positive impact. This particular expert said that not only was this a way of giving our industries and businesses of all kinds access to the most enormous reserves of information and data, which would enable them to do their jobs effectively, but it is also an enormous opportunity for the computer software industry because once there is this network then providing the devices to use it and providing ways to access it becomes in and of itself a very important part of industrial development.

Members of this House may not know that British Columbia has become one of the centres of software development in North America. In fact we talk about the evergreen triangle between Washington State, southern Vancouver Island and the lower mainland proper as one of the major centres of creative software development in North America. Therefore, for British Columbians this opportunity to continue to diversify our economy, to get

us away from dependence on resource industries is going to be enormously helpful.

We also know that small business is the creator of 97 per cent of the new jobs in Canada. It is an area that is extremely important in my own province as we diversify our economy and get more into value-added even in our resource industries.

A number of provisions in the finance minister's statement addressed this creative area of the economy. It is important to recognize that government will never have the creativity or entrepreneurship that is found in the private sector. We cannot have bureaucrats sitting in Ottawa trying to think up great ideas for business. That is not the role of government. The role of government is to empower those who have the ideas, the people who are building the better mousetrap so to speak, to be able to do their job and exploit the potential their own creativity has begun to unlock.

In that respect I think that the 10 per cent investment tax credit for new machinery and equipment is going to be extremely important. Getting back to this question of productivity one of the things that enables people to be more productive is the level of technical equipment they have in carrying out their business, whether it is computers, small manufacturing devices in a small urban business or new equipment for farmers or new equipment in the mining industry, new equipment for the small forestry operators in British Columbia.

All of these are extremely important businesses. They are businesses in which investment in new technical equipment can increase productivity. For those businesses there will now be an incentive to purchase that equipment because there will be a 10 per cent tax credit. As we all know a tax credit is a deduction right against the tax payable. It is the maximum kind of benefit that we can give to businesses.

In addition, the attempt to stimulate hiring in the small business sector through the proposal that would have the government pay the employers' portion of the unemployment insurance premium for new employees is another way of trying to encourage businesses to expand their work force at this time. This could mean as much as $1,600 per new employee for a small business. It could very much make the difference between the decision to hire and not to hire. Remember that this hiring is important not simply for providing employment but also for providing training for people.

There are so many people who are trying to break into the employment world. Until they can get that first job they do not have the resume. They do not have the experience that puts them fully fledged into the employment stream. They are always knocking on that door or pressing their nose against the glass.

In addition, the ceiling for loans for small firms under the Small Businesses Loans Act will be increased to $250,000. Members on the other side of the House have quite rightly pointed out that does not guarantee that the funds will be made available by the banks. We do have an obligation to pursue that as well.

In my own part of the country availability of capital has been a very important part of our economic concern, particularly since over the years it seemed that the chartered banks were headquartered in central Canada and very often seemed to pull the plug on businesses far from that centre with devastating effects. That was certainly the experience in the last recession. As a lawyer who was practising commercial litigation in the wake of that recession I can say that was a story that I heard over and over again.

This is an optimistic statement. It is a statement that accepts the responsibility of trying to get our fiscal house in order while recognizing that it is difficult, that there are no happy cuts to make in the budget, that because we have managed to get inflation down so low, we can have a freeze on government expenditures and on wages without seriously cutting back on people's spending power. That is the value, that is the dividend, of a low inflation level. It is something that we are getting used to in this country.

I think of the days when inflation was double digit. When I was chairman of the Vancouver school board we had wage increases of 16 per cent in one year. What kind of incredible out of control economic dynamic that was. What a dreadful tax inflation at those ridiculous levels was on people with fixed incomes.

We are optimistic about getting our fiscal house in order, stimulating those areas of the economy that will produce jobs, and stimulating the development of productivity, which is the long-term guarantee of continued economic prosperity for all Canadians. We owe it to our

children and our grandchildren to keep to that line of attack. For that reason I am very pleased to support the motion moved by the hon. Minister of Finance and his approach that he took in his statement to this House yesterday.

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, I am happy to be able to participate in this debate. In view of the limited time that I have I want to make some general comments and then some direct comments concerning how it affects my constituency, in particular, how inadequate, how disastrous this economic statement really is for the people whom I represent.

I would have thought that the Minister of Finance would have showed some courage. I thought he had something in his fibre whereby he could have come to the House of Commons and demonstrated to Canadians that this was a Minister of Finance who was going to change the ways of the previous administrations and get on with tackling the real problems facing Canadians.

We did not get that from the Minister of Finance. This Minister of Finance is not tough. He is not courageous. In my constituency they would say: "He's got no guts". The reason he has no guts is that he has allowed billions of dollars in tax loopholes to continue. There is not one sentence or reference with regard to tax loopholes or filling those tax loopholes. This was reported to us by the Auditor General.

• (1540)

The minister knows the interest rates are quite different between Canada and the United States which affects the competitiveness between Canadian business and American business. He is very much aware of the $4 billion program announced for helicopters. He did not do anything with that.

This minister would like the Canadian people to believe he is tough and courageous. He was really tough was he not, when he picked on those individuals who are least able to look after themselves: the unemployed, those on welfare and those in the poorer regions of this country. I wish ministers of the Crown would accept their responsibilities and be tough. They should be tough on those individuals who are more able to afford it as opposed to those who cannot.

This is an economic statement and in fact it is a budget statement. This Minister of Finance has attacked and knifed the unemployed in this country. He and the government opposite will pay dearly for this particular mistake.

In my own constituency the policies of this administration have caused a proliferation of taxes over the last number of years and massive cutbacks have occurred. Passenger rail service is gone. Our radar base for the Armed Forces is gone and our airport service in terms of jet service is gone. The Cape Breton Development Corporation has reduced its employees to approximately 2,000 when there were 3,500. Our Sydney Steel Corporation has gone from well over 1,200 employees down to approximately 500. The cuts go on and on and on and on.

In 1990 the unemployment rate in my constituency was reported as 16.3. The Tories did better in 1991 when it was 18.8. In 1992 of October of this year they did even better than that. They had it up to 19.5.

My constituents and I ask of this government: What is it doing to try to facilitate economic development on the island of Cape Breton and put people back to work?

This economic statement, this budget by the Minister of Finance has once again knifed those Canadians who live in this poorer region of the country. How has the government done that? It has taken the unemployment insurance and it is going to cut off those individuals who quit their jobs. The point was raised in Question Period today. What happens in a particular situation if a woman has to leave her job because of sexual harassment? We all know the leaps and bounds that particular individual must take. She will have to go before a tribunal and the onus of proof will be on her. It is not fair at all.

Benefits to UIC recipients will be reduced and the Government of Canada will save $2.4 billion. The Minister of Employment and Immigration had the unmitigated gall to come before this particular Chamber and say to the people of Canada: "But I am going to provide $300 million in training". How much of that training is will go to Ontario? How much will go to Newfoundland? How much will go to Nova Scotia? How much is going to go to my constituency and the adjoining constituencies?

Mr. Mifflin: What are they training for?

Mr. Dingwall: That is right. What are they training for? Everybody is out of work. There are no economic opportunities. The Minister of Finance stands in his place, eyes the camera, and says: "I want to be tough. I want to stay the course. I am going to help the people of Canada". In the very same breath he has done absolutely nothing about tax loopholes.

The monetary policies are absolutely dismal because he is only fighting one cause of our problems and that is inflation. He is not taking a balanced approach to correcting these difficulties.

There is no stimulus in this budget. It is all smoke and mirrors. He has given in to the Premier of Nova Scotia, Donald Cameron. I will say on the floor of the House of Commons, I will say outside this House of Commons and I have said in my constituency, Donald Cameron has been anti-Cape Breton since he assumed the office of premier of the province of Nova Scotia.

An hon. member: Shame.

Mr. Dingwall: What is the government going to do? It is going to build a four-lane highway in Nova Scotia going to New Brunswick. I said this morning on *Newsworld* and I say in this Chamber, that is wrong. It is not a bad project but there are more effective ways to create jobs throughout the entire province of Nova Scotia.

What about the Annapolis Valley? What about Pictou county? What about Cape Breton county, Cumberland county and Halifax county? Thousands of projects are ready to go under the municipal infrastructure which would join the municipalities with the provincial and federal governments. What has this government done? It is playing to the political agenda of one premier in the province of Nova Scotia, namely Donald Cameron. That is not fair. That is not just.

If this Minister of Finance wants to be known as someone who is tough, someone who has guts as they say in my district, why does he not stand up to those individuals who are taking millions and millions of dollars out of this country for tax benefits? Why does he not do that?

Why does he not do something about the interest rates spread between Canada and the United States? Why does he not do something on monetary policy? Why does he not chop these prosperity agenda programs? Why does he not chop the advertising budgets of all of the various departments of the Government of Canada? Why does he not stop feeding the political hacks of the Tory party?

We in Nova Scotia are fed up with the administration of this government. We are fed up with the provincial administration as led by one Donald Cameron. I can assure you the people of my province will respond in great numbers to the challenge should the Tories opposite ever get the intestinal fortitude to call a federal election. They will respond to that challenge and they will vote overwhelmingly against the administration opposite us and the provincial administration of Donald Cameron.

In conclusion, if I had more time I would itemize the way this government has knifed the people of my province, my district and my island. I assure you, Madam Speaker, as you sit there and I stand here we shall never forget one Donald Cameron, the premier of our province. We shall never forget the Tory administration, whether it is Brian Mulroney Kim Campbell, Perrin Beatty or whomever. We shall never forget.

Mr. Greg Thompson (Carleton—Charlotte): Madam Speaker, speaking on the same topic but coming from a different perspective I want to share some of my thoughts on the statement given yesterday by the finance minister.

There is a certain reality you have to face when you form a government. I think the minister was very forthcoming yesterday and addressed those glaring realities. One of the comforts I take from the minister's speech yesterday is the fact we have done that.

• (1550)

We have acknowledged there is going to be an $8 billion shortfall in terms of government revenue and we have cut expenses to meet that lack of revenue. We have not gone on a spending spree to kick-start the economy which is the term the opposition often uses.

We have accepted the reality that borrowing in the past has not eliminated the problem. In fact, some of the problems we experience in this country today are simply because in the past we have fallen into that habit of borrowing. That habit of borrowing is costing us dearly in this country to the extent that 30 cents out of every tax

dollar of revenue coming in to Ottawa goes to pay interest on that debt.

The old ways of doing it do not work. We have proven that. The only way we are going to move beyond where we presently are to a healthier Canadian economy is by doing the things Canadian people are demanding of us. They are telling the government: do not borrow any more, accept reality and move on from where you are.

Some of what the minister announced yesterday will do that. We have to remember there are 950,000 small businesses in Canada. We have taken the route of increasing the ceiling on loans through the Small Business Loans Act. We have gone from $50,000 announced earlier this year to $200,000 and now we have increased that to $250,000.

The encouraging thing I find in that announcement, among others, is the fact for the first time small businesses can use that $250,000 for operating capital, obviously with some restrictions.

In the past we could only use that $200,000 which used to be only $50,000 and is now $250,000, for the purchase of machinery or capital investments.

That is encouraging. Another of the things the minister mentioned yesterday is he is going to put some pressure on the banks to achieve this. Many of my constituents, and I am sure this is the same on both sides of the House, have gone to the banks to trigger that small business loan only to find out the banks were not there to do business with them. They either knew little about it or could not care less about it.

The minister has told us publicly and privately he is going to do all he can to make sure the banks respond to this. That will be encouraging to every one of those 950,000 small businesses out there.

The RRSP home buyers' plan is going to be extended. That has been a phenomenal success throughout the country, particularly in my home province of New Brunswick.

We also had the announcement yesterday by the finance minister of the government's commitment to highway building in the provinces of New Brunswick and Nova Scotia to the tune of $200 million. That is something we have been working on for a long time in the province of New Brunswick because our highways are inadequate, particularly the trans-Canada highway. That is good news for the province of New Brunswick.

Question Period today seemed to focus on the changes to the Unemployment Insurance Act. I want to explain that because it is very important the Canadian people understand what is happening. The minister did a good job today in Question Period responding to some of those questions. We have to continue to clarify what is happening there.

One change to the Unemployment Insurance Act is simply that individuals who voluntarily leave their jobs will no longer be eligible for unemployment insurance premiums. It is important to point out that we are not talking about people who leave their jobs for a particular legitimate reason. We still recognize those legitimate reasons but only legitimate reasons.

I could go through the act and I think I will so that people can understand clearly that we are not changing it. I brought a copy of the act with me so that we could step through section 4 of the UI act in particular. It clearly states the reasons individuals can leave their jobs or places of employment and still be eligible for unemployment insurance benefits. It is very clear in that regard. I wanted to point this out simply because the reasons that were brought out in Question Period today have no legitimacy at all.

Some of the comments that were made in reference to sexual harassment were inaccurate. That has not changed. If anyone is being sexual harassed on the job it is a legitimate reason to leave the job. Any changes brought in yesterday do not change that. In other words, sexual or other harassment as identified and stated in the act are legitimate reasons. The obligation to accompany a spouse or dependent child to another residence is also a legitimate reason to leave, or discrimination on a prohibited ground of discrimination within the meaning of the Canadian Human Rights Act.

It is important to put that on record. I do not want people misunderstanding what happened yesterday in the House. It is very clear that some people are attempting to make political hay of the issue but let us not be fooled by it.

There are other areas we have to talk about as well in terms of government expenses. All government operating budgets will be reduced by 3 per cent in 1993–94. Average unemployment insurance benefits will be frozen. Grants and subsidies to most organizations and interest groups will be cut by 10 per cent in each of the next two years.

In terms of training programs which are very important for a changing country and work force like Canada, funding of an additional $250 million will be committed over the next five years in support of those programs and an additional $300 million will be provided in 1993 for job training for displaced workers.

In balance the statement yesterday was as good as we could expect given the times. As I mentioned earlier, when government revenues are down there are really only two things we can do. We can increase taxes or we can cut back on spending.

One of the things I think most of us in this House realize is that there is zero tolerance out there in terms of the ability of the government to tax more. People simply do not want more taxes. What they want is more efficiency from government. I think the minister has produced that in his economic statement.

If our economy continues to grow as we predict it will, and I am confident it will, we will have the revenues we need to carry on with our programs and reduce the debt. We are giving businesses, particularly small businesses, the encouragement they need to make the investments necessary to create the jobs we want to see.

I am confident that will happen. I am confident the government is on the right road. We have done it all without borrowing more money.

Mr. Jerry Pickard (Essex—Kent): Madam Speaker, I come from a small riding in southwestern Ontario, Essex—Kent. They are two counties in Canada that are highly productive agriculturally. As well they have a tremendous amount of manufacturing jobs, or may I say they had a tremendous amount of manufacturing jobs.

• (1600)

However in the last couple of years, just to give a quick example of what has happened to the manufacturing jobs and the agricultural jobs, in my riding Delta 70, a fairly large manufacturing plant closed; Olinda Foods closed; Freedlands closed; Sheller-Globe closed; Nabisco closed; Standard Tube closed; Campbell Foods is leaving; Hunt-Wesson closed; Duomatic Olsen closed; and Meridian Mould closed. They were fairly large companies.

In my riding right now we are talking about 8,500 people being on unemployment. Jobs in my riding are very hard to come by. The Minister of Finance stands and says he can see improvements, lights on the horizon. He can see a positive move forward in the last year or so. I have to point out that in Kent county the cases of people on welfare have cost approximately $7,000 in the year 1990. In 1991 they cost $13.5 million and in 1992, almost $17 million. Welfare has tripled in the Kent county area of my riding in the last three years. In the Essex part of my riding the welfare costs in 1990 were approximately $9 million; in 1991, $16 million; and today, 1992, $21.5 million.

We are talking about changes therefore in welfare costs in both counties from $15 million to right now about $36 million. They have risen in the area of 140 per cent.

People are looking for jobs. They are looking for some answers. They are looking for some help. I failed to see one job, one effort on behalf of this government to help southwestern Ontario. I see programs put in place for the maritime provinces and Quebec. I see programs suggested in the west but not one penny moves toward southwestern Ontario.

I must also admit that the farm community in my area was looking for a bit of help. Well over one-third of the farming community is in financial trouble at this point. It has had very tough years with extremely low commodity prices. I really thought the Minister of Finance was very aware of that due to his former position. However, I have seen no movement in helping those who are really in need in my riding or helping Canadians in general.

I know dollars will be lost in my community through cuts in the UI program. I also know small business was looking for a glimmer of hope because of the huge loss of funds in my area. Nothing seemed to come about. The economic statement in my riding of Essex—Kent is very disastrous. I am afraid the bill put forward by the minister has done nothing to resolve the problems.

Business people, the farm community and labour forces have suggested the major cause of our tough economic times right now. Everyone believes the free trade agreement has had a tremendous impact on my region. Added to that, the recent imposition of taxes has certainly caused a tremendous difficulty. I believe the GST alone drove a very large portion of the people who

normally worked and supported the businesses in my riding across the border. They refused to pay the GST whenever they could. I believe the underground economy has been much developed. As a result our business community is suffering added burdens, not only the loss of revenues that have accompanied bad government policies but the more difficult situation it is in now with no help in sight.

As I walk down the streets people in my riding are asking: "When is there going to be an election? We need to get rid of the policies that have been put in place". Certainly cynicism toward government is very much felt by the people in my riding.

When I stop to think about the move the Minister of Finance and the minister of immigration made to put an immigration centre in the riding of the Minister of Finance to shelter those people from the economic impacts in this country and leave other people like the ones I represent out in the cold, it is a real shame. Certainly there is no logical reason for that centre to be located in the riding of the Minister of Finance, outside the fact that he may need some extra support when the election finally comes along.

I also found a tremendous problem yesterday when the new economic plan was introduced. I found a problem with the arrogant way it was put forward: here is a plan that is moving toward prosperity. I do not believe there is any movement toward prosperity when the suggestion in this plan was that $8 billion would be cut. Those cuts are not this year; they are next year, the year after and the year after that. They are several years in the future.

If the government were serious about cuts and getting cuts done, it would have made them under this year's budget and not looked to future governments to make those cuts. However, the $8 billion is there as cuts for future governments, not for today. I think the Canadian public should be aware of that.

Another point is very clear and I have a real problem dealing with it. Here we are with a $34 billion deficit for the Canadian public this year. It is an increase of $7 billion from nine months ago. The problem is that the government is suggesting it is holding things down, being tight-fisted with the budget and controlling expenditures. In fact that is not true at all. It is overspending by an additional $7 billion to what was projected just nine months ago. Next year's budget follows the same line. It will be spending $10 billion more next year than proposed just nine months ago.

When I stop to look at it, in the history of Canada it is probably the worst financial manager of a budget that any government has been. It prided itself on being a good fiscal manager. That is untrue. I see program after program altered, changed and cut. At the same time I see taxes increased, increased, increased. Yesterday was not a good example. There have been increases of $55 billion annually in revenue since this government came into office, but it is going further into debt by $35 billion this year.

The government is not only putting expenses on Canadian people and raising tax levels to the ultimate. It has also mismanaged the economy and has given us a tremendous deficit annually and a huge debt of $420 billion. I am appalled at anyone who can think this government has been financially responsible, has done a favour to Canadians. It has put us behind the eight ball for the next 20 years.

• (1610)

Only a change of government can resolve that problem. Get rid of those terrible, boring, difficult policies for Canadians. Those policies hack down the little guy, put people out of work and destroy our nation. We need a change. We need progressive, liberal policies.

Madam Deputy Speaker: It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Prince George—Bulkley Valley, Kemano Project; the hon. member for Don Valley East, Small Business; the hon. member for Cape Breton—The Sydneys, Westray Coal Mine; the hon. member for Vancouver East, Employment Equity; the hon. member for Cape Breton—East Richmond, Report of the Auditor General.

Mr. Ken James (Parliamentary Secretary to Minister of Labour): Madam Speaker, I am pleased to have the opportunity to speak about the initiatives announced by our finance minister yesterday.

Where was the Liberal member for Essex—Kent when we were in a recession the last time? I was in a small business struggling with interest rates. Every day I would get a slip indicating that interest rates were rising a point every other day. I kept the last one for historical reasons because interest rates had reached 22 per cent. I never want to see it again. I wonder where he was and what he was telling his government, the Liberal government of the day, when we had that situation.

Coupled with that was a staggering 9 per cent inflation rate. If you wanted to kill business you certainly were doing it. Only through a lot of scraping and scrimping did we make it through that dastardly time. I want him to reflect on that when he starts deriding this government.

Certainly it is not the easiest of times for small and medium-sized businesses although we have low inflationary rates. Inflation is an absolute creepy, silent killer of business. Prices go up and people will not buy. Costs escalate at 8 and 9 per cent. Talk about putting businesses under. That is something that will do it. With its measures this government is working to keep inflation at the rate we have.

There is a different mentality out there now as well. The astronomical 15 and 17 per cent wage increases we went through at that same period in time are long gone. We have established a sensible attitude in this country. The leadership this government took in establishing reasonable wage increases for the public sector set a standard in Canada and the provinces followed. We have taken a lead and the private sector is now following along. There has been tremendous leadership shown by this government in that area.

Interest rates are moderating to the point where people can borrow money. We need to work more with the financial institutions so that those low interest rates turn into dollars available for small business.

We can do that by changing the Small Businesses Loans Act which is in the works. Also, an important announcement which seems to have been overlooked by those opposite who are looking for negative reactions is that under the Small Businesses Loans Act small business will be able to get loan money for operating capital. That was something which was asked for.

I was going to ask my friend opposite from southwestern Ontario what letters and suggestions he sent to the finance minister. I spent a good long time studying how small businesses could have more money available to them in loans. I did a study. I canvassed my constituents and sent him a number of suggestions of how he and the small business minister could change the Small Businesses Loans Act so that it would make capital more available to our small business people.

I know a number of those initiatives are going to end up being in the amendments to the Small Businesses Loans Act. The real important one, however, was noted by the finance minister. That is that capital now would be able to be used for operating under the Small Businesses Loans Act.

There is a process here. There is a plan and we are working to the plan.

I noted *The Financial Post* said: "Finance Minister Don Mazankowski may have given an economy already showing signs of modest growth the kind of push needed to keep it moving in the right direction". That is right, a gentle push moving it in the right direction.

Certainly a lot of that emphasis is on small business. It is in the area of making available to small business the opportunity and availability of having expanded use and availability of RRSPs to be invested by employees, which is important.

It certainly also is going to allow for a 10 per cent tax credit investment on purchasing of equipment. That is important to our small business people and is something they have been asking for.

It is is based upon something we forget has been done in Canada. That is that our small business people enjoy a very special tax rate as it is. It is an income tax rate of about 12.8 per cent which is substantially lower than the small business rate in the United States. That is important when we look at the competitive situation we have there. The U.S. rates are a lot higher.

Of course small businesses also qualify for the research and development credits which are as good or better than most of the G-7 nations and that is important. It is a 35 per cent refundable federal tax credit. That is important to small businesses.

As I mentioned earlier, small businesses have the opportunity of having capital gains exemption available and that is important.

We needed to add to that and we have by some of the areas I mentioned. But we are also going to give them the opportunity and incentive to hire. That is something which was passed on to me by the small business people. They said: "You want us to hire and train people. Then give us an incentive to do that". That would be helpful and important.

We have done that in this announcement. They will have a forgiveness on UI premiums. That is an incentive. That is on top of the training programs and the training incentives we have where we will be directing more money under this budget. That is important to small business.

There are programs where they not only would not be paying UI premiums as an incentive but also they will be able to bring people on and have their on the job training portion done under a training allowance and training moneys. That is important so that they can have them trained. They will be subsidized and then they will be able to take them on in a graduated way to work for them. That is certainly important.

I did mention the 10 per cent investment tax credit which was announced. That would be for buying and enhancing their businesses.

I just talked to a business person the other day. The business is a printing company doing specialized photography that is then used in printing brochures and that sort of thing. The cash flow was a little bit tight.

To make itself competitive and to gain business in the United States it needed the combination of a Small Businesses Loans Act, banking institutions that were more interested, and a finance minister who was certainly going to be having constant conversations with the Canadian Bankers Association.

On top of that, this company needed $10,000 to purchase a computerized system which would make the business 50 per cent more efficient. It needed the combination of a tax credit, which we are going to do now, and an opportunity of having money instantly made available to it that had not been forthcoming as readily as it will be when we change the Small Businesses Loans Act. The combination is there.

• (1620)

In the statement by our finance minister, the government is sending strong signals to members of the Canadian Bankers Association wanting them to be much more liberal with their moneys and their investments with small business.

I laud the finance minister for taking heed of the suggestions which have been made and for his interest in small businesses knowing that their growth will energize our country and make jobs. That is what people are looking for.

Mr. Howard McCurdy (Windsor—St. Clair): Madam Speaker, I really must contain myself. My constituency office has been confronted with an onslaught of telephone calls from irate, angry constituents who are aware of the contents of this mini budget which I heard the hon. member for Carleton—Charlotte moments ago describe as balanced.

If there is one thing that seems clear beyond all others, it is that this government seems to assume an economic rebound in the United States will likely have far more effect in Canada than any initiative taken here. It is curious to see the basis for that rebound in the United States.

I have in my hand Bill Clinton's campaign program. It is entitled "Putting People First". Now that is curious is it not? The United States which has been the symbol of neo-conservative politics and the model for this government has turned its back on the very ideology this government continues to pursue. What are the elements of that "Putting People First" initiative in the United States?

First of all, it is a kick-start investment in infrastructure not just to create empty jobs but to reconstruct the infrastructure for transportation, education, social programs, research and development and all of those things that will set the pattern for permanent growth later.

The second element of it is a vast investment in people, training, and education. It is an electronic highway that will not just go to educators and scientists in business and government but one which by the year 2015 will provide access to the kind of information that is necessary for education and technical information in every single household in the United States. Clearly it is an initiative that is intended to empower people in a new

economy in ways which are most important in terms of education.

Third is a new partnership between government and private enterprise over the long term to invest in those innovative high technological initiatives necessary for the United States economy to thrive.

What do we have here? In this country the people come last. We adhere to the trickle down theory incurably. Let us put this in context. Bob Rae some years ago was a good deal more delicate. He asked the question: Have you been trickled on lately? It is clear. If we look in the dictionary, there is another word that would substitute for it. It is clear that the Canadian people are being pissed on now by this government.

An hon. member: Is that in the dictionary?

Mr. McCurdy: Yes, it is in the dictionary.

They are talking about balance. They are talking about sacrifice. What kind of sacrifices will those who are well-to-do going to make in all this? We have thousands of Canadians, millions of Canadians, lining up at food banks while business people are using taxpayers' money to have luxury lunches at noon hour.

We have cuts in the surcharges for the best paid people in this country. What are the poor going to get out of that? We have family trusts worth at least $70 billion that could yield anywhere from $2.5 billion to $5 billion in new tax revenue for this government. Is that going to happen? Is that going to be taxed? No, this government has introduced legislation to ensure that it will not be taxed.

The ordinary fellow, the ordinary man or woman, the ordinary family, is still paying the GST. We have the wealthy going to billion dollar tax havens in the Bahamas, but the little guy cannot escape paying his tax or her tax.

Talk about fairness and talk about balance. We have here an economic statement that in its viciousness toward the people is not even being matched now in the United States: $2.5 billion was taken out the pockets of the people who are unemployed and have been made unemployed by this government.

I have heard a lot of talk today about the cuts in unemployment insurance expenditures. Part of it is going to result from a decrease in the percentage of wages that go into unemployment insurance payments, from 60 per cent of wages to 57 per cent of wages. We have the sophistry on the other side of the Chamber that says that is not really a cut. That is a freeze. The people calling up my office every minute of the day see it as a cut. Then we have the other bit of sophistry.

We heard the hon. member over there saying that there was nothing new in the fact that people who leave their jobs voluntarily or are fired for just cause will lose their benefits altogether, that nothing has changed. I am saying what has changed. They are saying that they are going to have tribunals to make sure this is administered in accordance with due process. What kind of due process?

Suppose a woman quits because of sexual harassment. Suppose a minority member quits because of racism. Suppose somebody is fired because she is a woman and will not concede to sexual advance. What about a minority member who was fired because of colour or religious practices? Are these tribunals the minister is to have in place going to take care of it? Are they going to work faster than the Human Rights Commission? It takes two years to have any one of those kinds of complaints heard. It is outrageous it has even been suggested that it is possible for the Department of Employment and Immigration to be able to handle any such thing in that way.

What we have is a deliberate attack on those most affected by the actions of this government in destroying the Canadian economy and in destroying the social network in this country. They are going to get it again.

Where is the infrastructure investment that we expected? People come last. What about infrastructure to put them to work immediately? We have $500 million in expenditures over five years, $2 billion altogether including private investment. This is called an infrastructure investment program.

• (1630)

A close examination of where that money is going shows quite clearly that it is a pork-barrel program, as is the establishment of the immigration centre in Vegreville. Look at how much money is going into Alberta. When we see that the first thing that occurs to me is the Reform Party. If anything shines through this mini budget it is the Reform Party. In the future they are going to call themselves the progressive reform conservatives because that is what they are trying to do.

If there is one thing that is clear in putting people first it is that they must have income support when they are unemployed, and whether unemployed or in jobs that are going to change they must have training, and education must be available to every Canadian. We must have the research and development and the technology development that will permit our economy to compete in the internationalized, global, high valued-added economy that we confront.

The government talks about increases in R and D. It is going to add $250 million to research and development over five years. Oh, that is big news. Oh, that is going to make a big impression. What we have to understand is that in the meantime, in addition to all the other hits that the university system has taken, the government is now also going to cut the 4 per cent increase that it promised to the granting councils. What is the net result? The result is no further increase in investment in R and D.

My God, Madam Speaker, I know that if you could have had an opportunity to call my office and complain about this mini budget, surely you would have done so because you are a sensible person. The Canadian people are going to rise up in anger and throw these devils out. That is what they deserve. It is unconscionable what they have done to this country. It is unconscionable what they are doing now. They will come to account for their failure of conscience.

Madam Deputy Speaker: As a very sensible person, I would hope that while rereading the "blues" of this exposé in the House the hon. member, who does have a very extensive vocabulary at his disposal, might realize that there are many words which may be found in a dictionary that are not necessarily to be used as a parliamentarian. Resuming debate, the hon. member for Simcoe Centre.

Mrs. Edna Anderson (Simcoe Centre): Madam Speaker, I appreciate the opportunity to speak in today's debate on the future course of Canada's economic policy.

Hon. members heard the Minister of Finance give this House an update on Canada's economic and fiscal situation. He announced a number of measures to assist economic recovery and to invest in economic growth.

Since coming to office in 1984 the goal of the government's economic policies has always been greater economic security and opportunity for all Canadians. Complementary to this the government's economic plan has also been aimed at trying to improve our competitive position in the world. At the same time, the government has had to respond first to the effects of the rising debt of the 1970s and the spending excesses of the 1980s, and then to the emerging global economy and intense pressures to compete of the 1990s.

If Canada is to continue to grow and prosper Canada has to compete. It is that simple. The government has solid economic measures in place. For example, sound monetary and fiscal policies are in place. Markets have been opened up. Government has been streamlined. The tax system has been reformed and private sector initiative has been encouraged as the only solid basis for economic progress. However, more is required.

As a result of the fact that the world economy has not unfolded as the world expected there have been set-backs. Most of these set-backs have been beyond our control, such as the ongoing weakness of our trading partners.

The Minister of Finance stated, however, that the government is not prepared to sacrifice steady, responsible progress for quick fixes today that we will pay for tomorrow.

What the government is prepared to do is to continue to work to put in place the initiatives needed to ensure a sound fiscal structure and to address the issues of productivity and competitiveness.

On Wednesday the minister stressed the importance of productivity and investment in Canada's future. The key to greater competitiveness is greater productivity. The key to greater productivity is increasing investment in people, plant and technology.

Let me take a few moments to talk about the importance of investing in people. We must all remember that our people are our future. To be competitive Canada and its people must be capable of using capital efficiently and of developing and using new technologies.

Competitive firms in the global economy are demanding a more skilled and flexible work force. For Canada to attract investors we need skilled workers capable of adapting to a changing world environment.

As the minister said in his statement: "In a world where capital, information, goods and even services flow easily across national borders, a nation's competitive advantage is increasingly being found in the skills of its people".

Despite spending one of the highest shares of GDP in the industrialized economies on education Canada is still criticized for the results its educational system produces. Our high school drop-out rate is over 30 per cent. We still have Canadians who cannot read or handle figures well enough to meet everyday requirements. Our drop-out rate is such that 137,000 students leave the educational system each year ill-prepared to meet the challenges of our labour market, which increasingly needs well-educated and trainable workers.

Private sector spending in Canada on training and education is well below that of our major competitors.

In a recent study by the Conference Board of Canada almost three-quarters of the companies surveyed believed they had a significant problem with functional illiteracy somewhere in their organization. However, only 24 per cent of these companies had developed a policy to deal with this problem, even though it slowed the adoption of new technologies.

In the decades ahead older Canadians will make up a larger proportion of the labour force. Most of these people are in the labour force now and many are sure to need retraining or on-the-job training to meet the changing needs of Canadian firms.

In 1990, as part of the Labour Force Development Strategy, the government took action in skill development and training. Until that time, for example, Canada was funding passive income support programs while many of our major competitors were directing resources to active programs, such as apprenticeship and training programs.

The Canadian Labour Force Development Board was established to review and make recommendations on all labour market matters, including strategies for using unemployment insurance funds for training Canada's unemployed.

The direction of part of the unemployment insurance system was changed from passive income support to active skill-building support for the unemployed. We made it harder to qualify for UI benefits—especially for people who quit their jobs—and decreased the duration of some benefits. Most of the savings from these changes have been redirected into developmental programs which help retrain workers and upgrade skills.

The government is now proposing to build further on the Labour Force Development Strategy. We are increasing funds for active developmental purposes under the Unemployment Insurance Developmental Uses Fund from $1.95 billion to $2.2 billion in 1993. This fund invests in people by helping them to upgrade their skills.

• (1640)

This program is a real success story. This year 450,000 people will benefit from the program. This number will increase to more than 500,000 next year. The additional funds will be used to provide special services to workers who lose their jobs after a long-term attachment to the labour force.

To lay the foundation for a stronger training culture in this country we need the joint commitment of employers and workers to develop training strategies. To facilitate this, the government will make funding available to help create permanent skills councils in particular sectors of the economy. Priority will be placed on the important task of developing occupational standards so that training will be relevant to industry needs.

Government funding of $250 million over five years will be used strategically to lever a private sector-driven training effort. At the same time the government will develop tax incentives to help defray the costs of training workers, particularly to meet these occupational standards.

The provinces can also help by emphasizing retraining for those on social assistance who need new skills to get good jobs. The welfare reform experiments currently supported by the federal government and the Governments of New Brunswick and B.C., which provide earnings supplements to low income, one-earner families, are a first step in this direction.

The Acting Speaker (Mr. Paproski): I regret the hon. member's time has expired.

[*Translation*]

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, if I rise today it is certainly not to praise the economic statement made yesterday by the Minister of Finance. Unfortunately, the Conservative government,

which claims to have been trying for eight years to lead this country to prosperity, seems to keep leading it to bankruptcy and for many straight to hell.

Unemployment is still on the rise and nothing seems to indicate that this trend will change soon. Of course, the government has an explanation. It always has an explanation: It is always the others' fault, or it is worse elsewhere. This is small consolation for the thousands of Canadians who are unemployed and see no change on the horizon. And what about the poverty level?

[*English*]

The people that the Conservatives are punishing with this economic statement are the ones who have lost their jobs because of the recession initiated, perpetuated and made worse by this government. It has lowered unemployment insurance benefits for those who really need it by 3 per cent. The unemployed have already paid for this government's economic mismanagement with their jobs. Now they are being bled a second time.

[*Translation*]

This government which takes unemployment insurance benefits away from those who lose their job because of misconduct is simply giving employers a very dangerous weapon. An employee could be fired for a silly thing, have no recourse and, more importantly, have no income, to the joy of some employers. The door is open to all kinds of abuse as well as to blackmail. An employee will no longer be able to complain about questionable behaviour for fear of being fired. Even if there is only one such case of abuse it will be one too many.

Canadians deserve more respect.

[*English*]

Instead of helping the unemployed with a social safety net the government is shoving them through the cracks.

The Conservatives are making it difficult for people who have been discriminated against in the work place. Victims of racism or sexual harassment might be reluctant to issue complaints for fear of being denied access to UI benefits. They have made it difficult to fight these serious problems.

Canada is still in the worst economic recession in 60 years. More than 1.5 million Canadians are unemployed and another 2.5 million live on welfare. Close to four million Canadians are existing below the poverty line. All this Minister of Finance can do is talk about increases in the trade balance with the United States, which incidentally cost us many thousands of jobs.

[*Translation*]

It is time to face reality. How in concrete terms will the proposals announced yesterday help the 600,000 people on social assistance in my province of Quebec get off welfare?

How will these proposals help 130,000 young Quebecers find the work they need for their future and the future of their province and their country? Simply repairing a few bridges in Montreal is certainly not the way to a brighter tomorrow.

[*English*]

My party has proposed a comprehensive infrastructure program that will create real jobs. The government expects to create under 5,000 jobs with the program it is proposing. In my riding, Saint-Laurent—Cartierville, we have already lost more than that number of jobs. This government hopes to create 5,000 jobs. I hope it is right, but that is half the number of jobs that is being cut at CN rail. The $500 million the government has promised to spend on infrastructure amounts to less than one quarter of the $2.4 billion it is taking from the unemployed and none of these funds will be spent on desperately needed local community projects.

As Liberals, we want to stimulate growth through policies that will create jobs and encourage the private sector to spend. By getting the economy moving again, people will be working and will be spending money in Canada. They will be paying taxes and that is what we need to get the deficit under control. The infrastructure program we recommended would stimulate even more spin-off jobs that will get Canada working again.

Liberals would use initiatives like those we proposed last January in the form of our five point emergency economic program to invest in people and in Canada. For us, the top priorities are growth and job creation. Canadians cannot afford inaction. Each unemployed Canadian costs the taxpayer nearly $15,000 in unemployment benefits and welfare and $7,000 in lost tax reve-

nues. This year, because of the depth of the recession and the government's refusal to act, the deficit will be nearly $5 billion more than it projected. That is nearly 20 per cent more. All this government is doing is passing the buck to the provinces and municipalities.

This government also missed the opportunity to improve the status of race relations in this country. It could have taken the opportunity to announce the establishment of the Race Relations Foundation, something that all members of this House endorsed almost three years ago. It could have taken the opportunity to restore the Court Challenges Program. Thousands upon thousands of Canadians have urged this government over the past few months to reinstate real access to the Charter of Rights and Freedoms. This government could have shown its good faith by bringing back this integral program.

The rights of Canadians are not worth 10 cents per person to this government.

[*Translation*]

Mr. Speaker, what did this government decide to do? Well, as ridiculous as it may seem, it concluded that cutting funds was the best approach. You understood correctly: To appease the reformed Conservatives, the government cut its assistance to community groups by 10 per cent although these groups are essential in times of crisis.

Would it be a way to punish the groups that dared to question the government's bad policies? Who knows? And they tell us about justice and equity!

[*English*]

If this government was really serious about cutting back on government excess it should have scaled back military spending even more. It should ease up on all the polling contracts it gives to former Tory back-room boys. It should cancel the plan to move the immigration processing unit to Vegreville in the Minister of Finance's own riding.

Unfortunately this government's definition of cutting waste does not include refraining from the type of pork-barrelling and patronage it has grown accustomed to.

I do not want to seem overly negative. I do approve of the extension of the home buyers plan that we Liberals proposed in January. It will help thousands of people get into the housing market. I also support the proposal to increase funding under the industrial research program.

On the whole this government still does not get the message that people are hurting. People are without work throughout the country and they are looking to us to help them. We need to generate a fiscal environment that is favourable to the development of Canadian business and to the creation of jobs. This economic statement by the Minister of Finance continues the disastrous economic policies of the government that have led to millions unemployed and millions more on welfare. This economic statement does not address the real problem of the deficit. We cannot trust the economic projections of this government. Every single one of its projections over the past four years has been wrong.

• (1650)

[*Translation*]

It is high time for the government to be accountable. Canadians from all across the country can no longer put up with economic statements like the one presented yesterday and they never could.

The time has come and the government must call an election now, not tomorrow, so that it can face the consequences of what it has done.

The Canadian people need a leader and a party that have a vision for this country. Canadians need to be heard. They need a party that thinks of the country, its growth and the welfare of its people.

They do not want a party with a limited vision like the Bloc that sees only Quebec or the Reform Party that sees only the English-speaking community. Canadians do not want fragmentation but harmony in prosperity for everyone. That is what the Liberal Party wants and that is what the country needs.

[*English*]

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, it gives me great pleasure to stand today to make a few comments and to thank the hon. Minister of Finance for being courageous and honest with Canadians.

I think the time has come, not only in this House but across the country, to realize that we can no longer continue on the road of disaster and spend, spend, spend with no direction and no thought for the future.

I believe that Canadians are tired of hearing all kinds of promises of going back into the 1970s, the 1950s, and the 1940s, rather than dealing with the decade of the 1990s and into the 2000s.

As I stand here today I want to say that the move made by the finance minister in investing in people is the correct way. It is what we are looking at.

There is nobody who can say more than I can right now about the riding of Timiskaming in northern Ontario, a riding that has been hit in many directions in regard to resources, whether it is mining, forestry, agriculture or the fur industry. Over the last five years because of the changing direction, we have faced depleting resources, environmental pressures, you name it.

As I stand here today I am not by any means proud to see so many of my constituents who have lost jobs, but I want to say thank you to the Minister of Finance, the minister in charge of employment and immigration, and the minister in charge of FEDNOR. A little over a year and a half ago they saw a vision, an opportunity, a new direction that could start in Timiskaming. I am talking about a training centre. A lot of my constituents and many across this country always felt they would have a full-time job, that education and having a diploma was not really necessary, that their grandfathers, their fathers and themselves would be able to have full employment until they retired.

The riding of Timiskaming has faced it and faced it very severely.

With the support of the federal government we have training programs set up in adult educational centres. I am very proud to say today that over 200 individuals have had the opportunity to go back and start again, maybe as low as grade two. Somebody missing only three or four credits for a grade 12 education now has the opportunity, because of the foresight of this government, to obtain a diploma, to move forward into training on the apprenticeship side or return to college. Section 26 and the dollars that have been put forward by this government have given 50 individuals that opportunity. That is why I am so pleased to see the increase in those dollars. We are dealing with the individual problems of people.

We are not making this a charade whereby we are going to give dollars for painting fences, cutting grass or cutting trees. Those days are gone. It does not work. What we have to deal with is the problem, labour adjustment. That is what we are doing, whether we are looking at the contribution of $2.2 billion or a total package of $3.5 billion, whether we are looking at the set-up of a new opportunity for labour adjustment with both unions and companies working together for $500 million over the next five years, or whether we are going to start to train and to ensure that new technologies and opportunities to be competitive in a new marketplace are there for Canadians.

I do not see why individuals on the other side of the House do not realize that those are the moves we have to make. It is the vision of the finance minister and this government to ensure that these workers are going to have that opportunity.

I spent many years in small business. I say that there is one way we are going to stimulate the economy. It is through the small business side of it and the move that was made in yesterday's announcement of $250,000 being set aside now for loan guarantees. There is a sector out there that has got to wake up and start dealing with it in a manner to help individuals and to help small business. That is the banking system.

Government can do only so much. When banks are going to cut back with regard to the cash flow, there is nothing that a government can do. I know that with the move that was made in this statement yesterday, with the combination of the $250,000 in loan guarantees and capital cost that is going to be looked at, it is going to be very beneficial to small business.

In talking about small business, I should talk for a moment about FEDNOR. Earlier today there were comments made about the cutbacks in FEDNOR. We just renewed FEDNOR. The previous five-year program was $40 million and it created 3,000 jobs in northern Ontario. The renewal of FEDNOR came in at $60 million over the next five years. Yes, there has been a partial cut. Those cuts are across the board in all agencies and government departments. This leaves after the cut $52 million. That is an increase of $12 million from the previous program which will be there for programs for northern Ontario.

I believe that FEDNOR will continue to serve northern Ontario. I congratulate the Minister of Finance and the Prime Minister because, prior to 1984, northern Ontario was lumped into one fund for Ontario. When applications were sent from Kirkland Lake, Sudbury or Thunder Bay, they had to go through the whole process of going through Toronto before coming to Ottawa to be looked after.

Under this government in 1984, we made certain that northern Ontario was recognized in the sense that we have a board made up of northern Ontario representatives from each riding in northern Ontario, a board which deals with the problems of northern Ontario in northern Ontario, not in southern Ontario or here in Ottawa.

That is what I believe is the correct way of doing it. That is why my good friend, the finance minister, in his statement yesterday was dealing with individual problems, ensuring that training for example is dealt with on an individual basis. That is how we are going to get this country working again.

I do not care how big government is. I do not care how big the bag of money is. Until we start dealing with the reality that Canadians have to be trained or retrained into a new society that is challenging the world, we cannot hide here in Ottawa, northern Ontario, or Vancouver and think that no matter what price it is, somebody is going to buy it. It does not work that way.

It does not work that way in regard to the quality. No one will buy a piece of goods if the quality is not there and if the price is not right. That is what this government is dealing with, the reality that there is a major adjustment taking place around the world.

We are not the only ones facing this. Every country is facing it. Every individual around the world is facing it, but we have a safety net here. That is what we do not hear from the other side of the House.

I was in Russia earlier this year. I saw a plant of 3,500 individuals that literally had no opportunity for any type of adjustment. I could go on for hours talking about the areas we are dealing with. It hurts me when I see somebody in my own riding not working, but if we deal with the fundamentals and ensure they have the opportunities for training and more education it is going to work well.

[*Translation*]

The Acting Speaker (Mr. Paproski): Order. It being five o'clock, pursuant to Standing Order 30(6), the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

INTERNATIONAL LAW OF THE SEA

RATIFICATION OF CONVENTION

The House resumed consideration of the motion of Mr. Caccia:

> That, in the opinion of this House, the government should, for the benefit of Canadian fisheries, urgently take the necessary steps to ratify the International Law of the Sea, and urge other nations to do so in order to reach the 60 signatures required for the Law of the Sea to come into force.

Mr. Stan Wilbee (Delta): Mr. Speaker, I rise today on this private members' motion which calls for the government to urgently take steps to ratify the 1982 United Nations Law of the Sea Convention, and urge other countries to do likewise so the 60 ratifications required for the convention's entry into force can be achieved. The reason given by the hon. member is this would benefit Canadian fisheries.

The fisheries provisions of the Law of the Sea Convention are among its most important provisions. Canada played a key role along with a number of other coastal states in developing the principles that underlie the 200-mile economic zone.

Through state practice all the coastal states now enjoy the benefits of their sovereign rights over all the fish stocks located 200 miles from their coasts. We have these benefits now even though Canada has not yet ratified the convention and it is not yet in force.

I would like to explain why Canadian ratification at this time would not provide an immediate benefit for our Canadian fisheries' interests, while continued active international action can. The 1982 United Nations Law of the Sea Convention was negotiated to be the definitive international legal instrument governing all uses of ocean space. It deals in a comprehensive way with all aspects of maritime jurisdiction, navigation rights, boundary delineation, exploration, exploitation of re-

sources, environmental protection and conflict resolution.

With the longest coastline in the world and important ocean interests, Canada regards the convention as a major contribution to world security and the sustainable exploitation of ocean space. Canada was one of the most active participants in the negotiations of the convention, and benefits directly from many of its provisions in addition to those related to fishery.

Those benefits include the 12-mile territorial sea; the 200-mile exclusive economic zone including pollution prevention and control over scientific research; protection of Canadian salmon; sovereign rights over resources over the greater part of the continental shelf including sedentary living resources; enhanced jurisdiction for the protection of marine pollution, and especially special measures for Arctic waters. As many of these are widely considered to be demonstrative of customary international law, Canada already enjoys their provisions.

With all these benefits you can well ask why Canada and indeed the rest of the international community has not brought the Law of the Sea Convention into force.

Of the 159 signatories including Canada, why have only 52 of the required 60 countries ratified the convention? Of these 52 countries, why is Iceland the only industrialized country to have done so?

The answer lies in the problems industrialized states have with the convention's deep sea mining regime. It provides that the resources of the deep sea bed outside national jurisdiction under the high seas are the common heritage of mankind. Part of the proceeds from the mining of these resources are to be shared among all countries, especially developing states. This is one of the key elements of the package deal that comprised the Law of the Sea Convention and continues to be supported by Canada and most industrialized countries.

The basic objection, however, is since the 1970s we have come to realize seabed mining will not provide the economic benefits we once thought it would. Changed economic circumstances mean parts of the regime run up against market-oriented, commercial principles and the costs to be borne by the parties to the convention are unclear and potentially onerous. Like other industrialized countries and especially as a potential seabed mining state, Canada recognizes only an economically viable seabed mining regime can benefit the international community.

Furthermore, there are a number of costs related to the implementation of the convention seabed mining provisions, which would be quite onerous and at this stage unnecessary for state parties.

Should Canada ratify without the other industrialized countries we would end up shouldering the majority of these yet to be determined costs. It is a further possible financial consideration that in exchange for coastal state jurisdiction over the continental shelf outside 200 miles, the convention specifies a royalty be paid on mineral or hydrocarbon exploitation in that area. It has not yet been determined whether there are such resources on Canada's continental shelf outside the 200 miles.

You also ask what have we done to overcome these obstacles to the coming into force of a convention with so many obvious benefits to Canada. Canada has been playing a key role in consultations held under the auspices of the UN Secretary General, who is trying at the present time to solve the problems of the seabed mining regime that are preventing the universal acceptability of the convention.

We consider that both the future of the convention and Canadian interests are best served through a universally acceptable convention, rather than by pressuring a convention into force with outdated, unacceptable provisions.

The only thing that will give Canada more than it now has is a universally accepted convention. That is what we are after.

I not think we will have to wait very long for the results of our hard work. The Secretary-General's consultations have now entered their second phase and are showing great promise. There is a possible solution in sight in the next 12 months through proposed modifications to the seabed mining provisions.

The prudent course for Canada is to see the UN Secretary General's initiative through, before making a final decision on ratification.

In addition to the above reasons, as this House is aware, Canada has pursued an initiative at the United Nations Conference on the Environment and Development to help resolve the problems caused by overfishing of straddling stocks off our east coast. The Rio summit has issued a call for a UN conference to put in place agreed rules for the management and conservation of these stocks. While these rules will build on the existing provisions of the convention, this exercise is independent of its entry into force.

Canada already enjoys a good part of the benefits that could be accorded through ratification. Many of the elements of the convention are generally considered to be demonstrative of customary international law by much of the international community. This is particularly true of the parts of the convention dealing with fisheries.

In short, given all these reasons it is better for the present to continue to pursue the resolution of high-seas fisheries problems through the multilateral conference we have succeeded in placing on the international agenda. Through our continued active bilateral and international efforts that are beginning to pay off, consideration of ratification of the Law of the Sea Convention should await the results of the Secretary-General's consultation.

Therefore, this private member's motion is not in the best interest of either Canadian fisheries or Canada's over-all objectives in the Law of the Sea Convention.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, it is a pleasure to rise in support of the motion of my colleague from Davenport that Canada should ratify the Law of the Sea. This convention, approved in late 1982, may be more important to Canada than to any other nation. We are a nation that defines itself by its relationship to the oceans. How often have we said over and over in this House "a nation from sea to sea to sea"? Yet, 10 years after the adoption of the convention on the Law of the Sea, Canada, as one of the countries that signed the convention, has still not ratified it. We have benefited from its provisions because other countries in the world are living by it, yet we have failed to take the step to commit ourselves to abide by it.

• (1710)

How we treat this convention becomes an even more important matter of principle now that we have signed two additional environmental conventions arising from the earth summit in Rio in June. We have signed two conventions on biodiversity and on climate change. Regrettably, to some extent, the public attention on those two issues, urgent and important as they are, has taken attention away from the state of our oceans and how important they are to the survival of life on this planet.

We agreed with Agenda 21 adopted at the UN earth summit in June. We have agreed with everything in there about protecting water bodies and the life in those bodies. We have agreed with their importance to humanity.

These issues and others are being increasingly recognized as areas where developed countries and developing countries have substantially different interests.

I have just returned from another follow-up conference of parliamentarians last week. We were looking very concretely at implementing the results of the earth summit in Rio. One strong issue is that the developing countries with so little and so much poverty feel we, the developed countries, the richest countries in the world are trying to put the burden of solving the environmental problems for the world on them when we have created the damage with our industrialization and consumerism.

It is ironic to look at the Law of the Sea Convention which Canada signed but has not yet ratified and note that, except for Iceland, the 53 countries that have ratified the Law of the Sea Convention and committed themselves to live by it are not the wealthy nations who are contaminating the soils, the air and the waters of the planet.

The seas of the world are vitally important to the survival of human life. This is not a matter we can put off for another decade. We know the dangers of contamination of coastal areas of the world and what that is doing to the oceans. We know its impact on food supplies for the developing countries particularly. Canadians have benefited from this. It has allowed us to extend our territorial zone. It has allowed us to claim 1.3 million additional square miles. It has allowed us to have more

control over our straddling stocks and control foreign fishing on a greater area of Canada's coastline.

We are missing other benefits of the Law of the Sea that we should be enjoying. We are particularly missing the opportunity for Canada to be an important partner in protecting our ocean resources and everything they mean to our health and survival.

The prevention of marine pollution is a crucial issue. It is one that has not been dealt with yet. The disposal of radioactive waste at sea is one that has not been dealt with nor has the transportation of hazardous goods on our oceans.

All those are important reasons that Canada should sign this convention and should urge the additional six nations that are needed to do so to make sure that this convention comes into force and effect.

It would allow us to go further in the sustainable development of fishing stocks. I do not need to tell anybody in this House about the perilous condition of our northern cod and the terrible impact this first environmental crisis that this nation has had to deal with is having on hundreds of thousands of people's lives and what it is doing to poverty and unemployment among our fellow Canadians.

We need to be concerned about protecting other marine resources. We need to be concerned about ecologically sound fishing practices if we truly want to preserve the resources of the world, not only for this fishing season or the next fishing season, but also for the next generation and the generations to come.

At the preparatory conferences for the earth summit back in April, Canada with 40 other countries put forward wonderful words on the importance of preserving the oceans of the world. I have to ask myself why are we not ratifying a convention that was approved nearly a decade ago. Is it that we are better at rhetoric than we are at action? Certainly that is part of it.

We know that sustainable development means integrating our decisions about the economy, the environment and humanity. We often forget the third one but it is also part of the concept of sustainable development.

However, the main reason for not ratifying this seems to be economic sea mining interests that may or may not materialize 20 years from now. Meanwhile, we continue withholding our consent to a convention that is vital not only to us, but also to all nations of the world.

I look at the NAFTA and we have had more than one minister in the House talk about the protection that the NAFTA provides. The NAFTA provides environmental protection in areas where conventions have been ratified internationally and are in effect and therefore are binding on Mexico, Canada and the United States.

Here is one convention that could be covered under the NAFTA to protect the seas of the world and we are still refusing to sign it. The fact that conventions are covered in the NAFTA does not mean anything until we have ratified conventions.

Looking at the economic statement from yesterday, I note that we have cut grants and subsidies to environmental technology firms which receive grants for the development and demonstration of commercially viable environmental technologies. That does not make any sense when we have just had a report from the steering committee on prosperity that tells us our environmental technology is one of the major growth opportunities for Canada in the world.

We seem to have contradictory things here. We have statements in the House. We have statements on international platforms. We have statements in Brazil. However, we do not have the ratification of a convention.

The Minister of the Environment has indicated his intention to ratify by Order in Council before the end of this year the Rio conventions on biodiversity and climate change.

I ask him to give the world a good New Year's present and add the Law of the Sea convention to that parcel of conventions which are to be ratified.

• (1720)

Mr. Fernand Jourdenais (La Prairie): Mr. Speaker, I would like to outline for members of this House some of the other steps this government has taken to promote sustainable development of the ocean resources, including our activities within the Northwest Atlantic Fisheries Organization, or to use its acronym, NAFO.

Since declaring its 200-mile limit in 1977, Canada has controlled the management of fish stocks within that limit. Fisheries outside the Canadian 200-mile limit are managed by NAFO.

NAFO was successful in maintaining and rebuilding stocks until 1986 when Spain and Portugal joined the European Community and the European Community began overfishing.

Using a provision in the NAFO convention the EC began adopting its own quota for NAFO stocks. Between 1986 and 1991, the EC reported catches of straddling stocks were 420,000 tonnes above NAFO quotas. Moreover, vessels from several countries that are members of NAFO began to fish routinely in the NAFO areas despite having no quotas.

In 1990, however, the EC accepted eight of its ten NAFO quotas for 1991 but did not respect the NAFO moratorium on northern cod in division 3L. In 1991 the EC caught an estimated 49,000 tonnes of northern cod. In 1992 the EC again accepted eight of eleven NAFO decisions but maintained its objections to the EC moratorium on 3L cod.

The EC has taken important steps to control its fishery in 1992. However, an EC patrol vessel spent 10 months in the NAFO area. The EC passed regulations to close most of its fisheries in the NAFO regulatory area as the quotas were taken including, in the case of division 3L, cod.

At this year's meeting of NAFO in September all NAFO members, including the EC, unanimously adopted a ban on fishing of northern cod outside the 200-mile zone. The EC also took a major positive step by agreeing to all its NAFO quotas.

The EC ministers responsible for fisheries will decide this fall on revisions of the EC common fisheries policy which, if they are adopted as proposed by Commissioner Marin and effectively implemented, will constitute a major step toward effective control of EC fishing vessels in the northwest Atlantic.

Since 1989, we have pursued diplomatic, legal, environmental and public information activities working in every possible international forum to put an end to foreign overfishing. Our efforts are bearing fruit.

At the beginning of this year, for example, the Minister of Fisheries and Oceans announced a stepped up Canadian campaign to save the northwest Atlantic fish stocks.

On January 10, the Minister of Fisheries and Oceans spoke at a conference in London sponsored by the Royal Institute on International Affairs. He warned that time was running out for fishing communities that depend on fisheries resources on the high seas. He stated that tangible progress must be made in 1992. One week later, he delivered a similar message to industry and government representatives in Tokyo.

In April, the minister visited Panama and secured the agreement of the Panamanian government to take enforcement action against vessels under its registry, reflagged Spanish, Portuguese and Korean vessels, that fish contrary to NAFO conservation decisions.

The Prime Minister and the Secretary of State for External Affairs have asked their counterparts in the Government of Korea for their co-operation to end fishing by their vessels in the northwest Atlantic.

The issue of overfishing was the leading item on the agenda when the Prime Minister met on April 23 with the President of the European Commission, Jacques Delors, and Prime Minister Silva of Portugal. President Delors made a number of commitments that helped set the tone for the positive developments that followed.

At Cancun in May an international fisheries conference adopted a resolution supporting many of the conservation principles Canada has been promoting.

Later that month the Organization of American States also adopted a resolution at Canada's instigation calling on the earth summit to convene an international conference on high seas fishing. As the members of this House know the 188 countries at the earth summit agreed to convene such a conference.

At Canada's request a special meeting of the NAFO Fisheries Commission was held in May on the need for more effective international control in the NAFO area through such measures as an observer program and minimum mesh size.

At its annual meeting in September NAFO did approve several new surveillance and control measures. A pilot project will begin in January 1993 to place observers

on vessels from each contracting party for 10 per cent of fishing days.

NAFO also adopted measures to control harvesting of small fish including new minimum sizes for cod and flounder as well as a new minimum mesh size.

Other measures will improve the effectiveness of inspections at sea by patrol vessels from Canada and other NAFO contracting parties.

The public information campaign has also been in high gear. Teams of journalists from EC member states, notably Spain and Portugal, and from other NAFO member countries were invited to Newfoundland for briefing on the state of the stocks and on surveillance and control measures in place in the Canadian zone. They were able to see for themselves the impact of stock declines on Newfoundland communities.

In May, teams of union representatives and colleagues in this House travelled to Europe to register Canadian concerns and to seek co-operation. Support from Portuguese fishermen was particularly striking. Efforts of other non-governmental organizations and churches were also supportive.

These are some of the ways we are working to end foreign overfishing on the high seas. We are using every available avenue open to us within international law and diplomacy to bring about an effective solution.

The best news is that we are making progress and I hope we will keep on.

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, as a student of agriculture at the University of British Columbia between 1946 and 1949, I was told by one professor after another of the importance of saving agricultural land in the province of British Columbia.

I was told that 3.5 per cent of the province was arable and we were rapidly losing the best of that land to other uses. It was being paved for parking lots, for roads. It was being built on for shopping centres, houses, all kinds of buildings. Anybody who wanted a piece of land looked first to the agricultural land because it was the easiest to develop.

I became Minister of Agriculture in September 1972 and within six months I introduced legislation to save agricultural land.

That legislation attracted so much attention that the Tories in the legislature at that time—and there were some—went so far as to move a want of confidence against the Minister of Agriculture for daring to bring in that kind of legislation. The Liberals opposed it just as loudly and just as forcefully. The Socreds opposed it. None of them proposed anything but they all said we were moving too quickly.

I did not think we were moving quickly enough. I had waited 24 years, from 1949 until 1973, to introduce that legislation and in the meantime some half a million acres of the best land for food production in the province, some of it the best land in the world, had been lost to agriculture. We had not moved quickly enough.

I was reminded of that this evening when the hon. member for Delta on behalf of the government said: "We are making progress so let us not ratify right now. Let us continue the progress we have been making all this time and some day we will get to ratification".

The Law of the Sea Convention was approved 10 years ago and all we can talk about is making progress. Ten years. Fifty-two nations have signed as ratifying it. We need eight more. We do not have any of the major sea-faring nations. We do not have Canada. We do not have the U.S. We do not have Great Britain. We do not have Germany. But we do have 52 and we need eight more.

If one nation, one among the ones I have named, had the intestinal fortitude to ratify that treaty, then perhaps others would come on board and we would be getting somewhere other than simply making progress.

• (1730)

At the rate we are making progress what is going to happen? We have already, dare I say, lost the North Atlantic cod fishery. Some will say: "No, we have a two-year moratorium". It takes six years for a cod to become mature enough to start reproducing. It is a two-year moratorium, but it is two years because it is saleable right now. If that moratorium is to achieve any useful purpose, and we do not know that it will, we do not know that there is still time for the species to survive, it is not going to last two years. It is going to be more like 10 years before we can start fishing cod again.

The Minister of Fisheries and Oceans has said that the salmon are in good shape on the west coast, that there is no problem there. We know that the salmon on the west coast are being pirated. We know that the steelhead are being pirated and we do not have control. We do not have the control that was offered to us in the Law of the Sea Convention. One of the reasons we do not have it is that the convention has yet to be ratified. It is in our hands. We are responsible as is every other nation.

The previous speaker said that we like to talk about our three seas, about being bounded by oceans on the east, on the west and on the north. We have more oceanic coastline than any other nation in the world. It is more important to us than to any other nation. Certainly, there are problems. There are discussions that have yet to take place, agreements that have to be reached. We know that mining the seabed is one of them.

There is no reason on earth that we could not go on talking about things like that after we have ratified the treaty. That need not be the end of it. There can be changes. There can be new looks at it to improve it in many ways. That can still go on. There is some pressure on people to come to agreements earlier once we have ratified the treaty.

The Secretary-General, as another government spokesman has said, has been making progress. We know that and we appreciate the progress that has been made. For example, the United States which had been opposing the ratification, voting against it, finally abstained at the UN meeting last year. That is progress. It is sort of half way. All they have to do is make one more step and the U.S. will be ratifying the treaty. For it to ratify the treaty ahead of us would put us to shame. We have more at stake, more to lose, and more need of it, yet we are not prepared to lead the nations that need to be led to sign this treaty.

It is not just the cod on the east coast. It is not just the straddling stocks. One speaker said we had made progress with respect to the straddling stocks. The only progress we have made is that we have persuaded other nations that they too must refrain from fishing cod for a period until we can tell what will happen, until we know whether the stocks will recover in a reasonable length of time. We do not know that yet. We are still hoping. At least we are going to give the remaining survivors, to the extent that there are survivors, an opportunity to try to recover the species. That is happening.

On the west coast the problem is not as obvious or serious yet. However, only two years ago we did not know how serious the situation was with respect to the Atlantic cod. I can recall the then Minister for International Trade, now the Minister of Fisheries and Oceans, saying that he was not going to agree to a drastic reduction in quota, a reduction recommended by the experts, by Professor Harris. He was not prepared to agree to a quota of 120,000 tonnes a year because it would be hard on the people working in the industry—the fishing people, the processing people, the companies. It would be hard on all of them.

I argued at the time that we should accept short-term pain for long-term gain but his position was firm. He was not going to agree to the quota being set where the experts said it should be set. He would rather gamble on the future.

As a result of his gambling there is now a two-year moratorium on fishing cod in extensive areas and a further moratorium being considered. Now the same person, which gives me very little confidence, tells us that the west coast salmon are not in trouble.

We are going to hear more about that on Monday. The Minister of Fisheries and Oceans said that he would have a press conference on the west coast on Monday.

He will be talking about an inquiry that was made about the alleged disappearance of 1.2 million sockeye that came into the river but did not arrive at the spawning grounds. Nobody was supposed to be fishing them in between except by permit and a fixed number but the fish did not get to the spawning ground. We have been trying to rebuild the Stuart Lake run for 16 years and have made real progress. Those fish came into the mouth of the Fraser River but they did not get up to Stuart Lake. This is the minister who reassures us and says that everything is okay.

It is the same with the Law of the Sea Convention. We need not hurry. We can take our time. Let us keep trying to get agreement on mining the seabed.

We all know there are substantial resources there. Whether they are economic or not we do not know. We do not know how to share the proceeds or the costs. These are all issues with which we can deal after we have ratified the treaty. There is nothing so binding in it that it cannot be changed. There is nothing that cannot be

negotiated further and nothing that cannot be improved if we are confident that we are going to make improvements.

Let us get on with Canadian ratification of the Law of the Sea Convention because that will lead others to do it. I believe that with a Canadian lead we will get the 60 we need and then we will start saving some of the species we are in danger of losing on both the west and east coasts and the Arctic coast as well. Let us move forward.

Mr. Bruce Halliday (Oxford): Mr. Speaker, I too would like to join this debate on the Law of the Sea and address it from the problem of overfishing on the high seas and the Canadian legal initiative that responds to this crisis.

This is a global problem that has a severe impact on fisheries subject to the jurisdiction of coastal states through the harvesting of both straddling and highly migratory stocks on the high seas.

Although the overfishing of straddling stocks on the high seas has caused particular concern to Canada, this cannot be dismissed as merely a local problem. It is world-wide. It affects groundfish stocks like hake in the southwest Atlantic on Argentina's Patagonian Shelf, the orange roughy stocks on the Challenger Plateau off New Zealand, the blue whiting and jack mackerel in the east central and southeast Pacific off Chile and Peru, and the pollock in the so-called donut hole in the central Bering Sea between Russia and the United States and the pollock in the so-called peanut hole in the centre of the Sea of Okhotsk off Russia's Pacific coast.

The problem of overfishing on the high seas is increasingly being recognized by the international community as an important environmental issue that threatens ecological disaster, both on the high seas and in waters subject to national jurisdiction.

For example, the 1987 report of the World Commission on Environment and Development warned of the threat to living marine resources posed by over-exploitation, pollution and land-based development.

More recently, in 1991, the heads of government of the United States, Great Britain, France, Germany, Japan, Italy and Canada met in London as the G-7, and at Canada's insistence issued a declaration urging compliance with the regimes established by regional fisheries organizations through effective monitoring and enforcement measures.

In a report that was released in 1991 the Secretary-General of the United Nations underlined in eloquent terms the dimension of the problem of overfishing by distant water fishing fleets. I quote from that report:

> The elaboration of the Law of the Sea regime for the rational management and conservation of high seas living resources is now firmly inscribed in the international agenda. While this may be in large part attributable to the large-scale drift-net fishing issue, it is to be emphasized that this issue is but one symptom of the larger problems confronting world fisheries, within national jurisdiction and beyond. Another symptom is the report of problems of overfishing by distant water fishing fleets in the proximity of EEZs.

Again, in a report issued last May, entitled *World Fisheries Situation*, the United Nations Food and Agricultural Organization said:

> Legal aspects of high seas fishing are not addressed comprehensively in the Law of the Sea Convention and where high seas fishing issues are concerned there is a general lack of clarity with respect to important matters such as enforcement of conservation and management measures. There is a pressing need for these issues to be considered further and conceptually developed so that a framework for international management of high seas fisheries might be agreed.

• (1740)

The United Nations General Assembly took up this issue for the first time in 1989 when, in response to the problem of overfishing in the northwest Atlantic outside Canada's 200-mile limit, it expressed concern regarding the use of fishing methods and practices on the high seas that could have an adverse impact on the conservation and management of the living resources of the marine environment.

The concern was elaborated on by the General Assembly in a resolution adopted in 1990.

Canada and like-minded countries built on these resolutions at the 1991 session of the General Assembly. As a result of these efforts the General Assembly adopted a resolution that:

(1) criticized fishing methods and practices, such as vessel reflagging and inadequate surveillance, control and enforcement, aimed at evading the regulation and control of high seas fishing;

(2) recognized that the measures now in place to conserve and manage the living resources of the high seas are not effective and that they do not adequately implement the provisions of the Law of the Sea Convention;

(3) called on states to prohibit fishing methods and practices which can have an adverse impact on the conservation and management of the living resources of the high seas, and to take the measures required to give full effect to the applicable provisions of the 1982 Law of the Sea Convention; and

(4) called on states to comply with the regimes established by regional fisheries organizations through effective monitoring and enforcement measures.

It is against this background of developing international concern with respect to problems caused by overfishing by distant water fleets that Canada launched its legal initiative to resolve the problem of overfishing on the high seas.

The Canadian initiative sought to develop specific principles and measures consistent with the Law of the Sea Convention with a view to giving full implementation to the provisions of that convention, strengthening regional organizations and ensuring the recognition of the special interest of coastal states with respect to straddling stocks.

This would provide an effective legal regime governing activities on the high seas.

The first steps in the elaboration of the principles and measures were taken at a conference held in St. John's, Newfoundland in September 1990. The conference recognized the need for such measures and agreed on a set of conclusions reflecting an increasingly shared view on how the rules of international law should be interpreted and applied.

This document was further developed at a meeting of Latin American states, New Zealand and Canada in May in Santiago, Chile. The document, dubbed "the Santiago paper", set the guidelines for participation by Canada and like-minded states at three major international conferences in the first half of 1992. The first was the International Conference on Responsible Fishing, held in Cancun, Mexico in May. The Minister of Fisheries and Oceans led that Canadian delegation.

At the urging of Canada and like-minded countries, the 66 participants at Cancun declared that:

(1) states should co-operate on bilateral, regional and multilateral levels to establish, reinforce and implement effective means and mechanisms to ensure responsible fishing on the high seas, in accordance with relevant provisions of the Law of the Sea Convention;

(2) the freedom of states to fish on the high seas must be balanced with the obligation to co-operate with other states to ensure conservation and rational management of living resources, in accordance with relevant provisions of the Law of the Sea Convention; and

(3) states should take effective action, consistent with international law, to deter reflagging of vessels as a means of avoiding compliance with applicable conservation and management rules for fishing activities on the high seas.

Also in May, the Organization of American States met and unanimously adopted a strong resolution on the protection of fisheries. The Secretary of State for External Affairs led that Canadian delegation. The resolution expressed alarm at the environmental degradation caused by overfishing on the high seas, particularly in the waters adjacent to the areas subject to the national jurisdiction of American states.

It also for the first time supported the convening, on an urgent basis, of an inter-governmental conference, under the auspices of the United Nations, following the Rio summit to deal with high seas fishing problems through the effective conservation and management of high seas fish stocks. The most important conference that took place in this period was the UN Conference on the Environment and Development convened in Rio de Janeiro at the head of government level at the beginning of June. The Prime Minister led the Canadian delegation and made the management of straddling stocks on the high seas a priority.

The conference adopted a number of measures of great importance to Canada. One could go on and list several of these but my time is running out. I should conclude by saying that Canada intends to work closely with like-minded states to ensure that the conference adopts rules to protect straddling and highly migratory stocks from being harmed by overfishing on the high seas.

The Minister of Fisheries and Oceans has already announced that representatives of like-minded states will be invited to meet in St. John's in January to review developments and co-ordinate strategy. We are determined to bring overfishing of straddling stocks off Canada's 200-mile zone to an end and to do so quickly.

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, I am very pleased to speak to the most important motion put forward by my colleague from Davenport. He has for a long time demonstrated his total commitment to the environment. I am sure he would join with me in expressing our disappointment upon hearing the news yesterday that the government in its economic statement had cut $172 million from its much touted green plan. That is the third cut for a total of 10 per cent in cuts since the plan was unveiled two years ago, further noting that less than one-third of the money the government promised for the green plan will probably not even get spent before the next election anyway.

I am here to speak to my colleague's motion which simply states:

> That, in the opinion of this House, the government should, for the benefit of Canadian fisheries, urgently take the necessary steps to ratify the International Law of the Sea, and urge other nations to do so in order to reach the 60 signatories required for the Law of the Sea to come into force.

In 1982, after 15 years of global negotiations, Canada signed the United Nations Convention on the Law of the Sea. This is quite a unique document of immense scope. It has been described as the constitution of the oceans which encompass over 70 per cent of our planet.

One expert has written that the convention goes further than most national constitutions or even the UN charter in the elaboration of rules, the development of regimes and the creation of institutions, guidelines and procedures. In short, the convention represents the indispensable legal framework for almost all future activities at sea.

The convention principles are the foundation of essentially every international coastal boundary dispute. Canada has greatly benefited both directly and indirectly in many ways from this convention. For example there is now a 12-mile territorial zone around our coast. The 200-mile limit gives Canada the right to declare sovereignty over 1.3 million square nautical miles off our coast.

Canada now has the right to regulate fisheries in the exclusive economic zone by deciding the total catch permitted. Article 66 of the convention protects Canada's salmon stocks. Articles 63 and 64 of the Law of the Sea convention address the issues of management and conservation of straddling stocks and migratory species.

The convention strengthens Canadian jurisdiction for the prevention of marine pollution and also special provisions for Arctic waters. The convention sets a precedent for international conventions by seeking to protect our environment and by promoting sustainable development of fisheries, fishery stocks and other marine resources. The convention also gives Canada control over fishing, oil and mineral exploration as a result of the convention.

Ratifying the convention would further enhance Canada's right to protect and conserve fish species. *The Halifax Chronicle Herald* has written that the convention has served the Atlantic provinces well. It would serve it even better if this government finally ratified the convention.

I think the most frustrating thing about this whole issue is that Canada signed the convention but has refused to take the second step and ratify it. Instead the government has chosen not to do so and in avoiding its responsibility is compromising Canada's international credibility.

• (1750)

The question that obviously arises is: why is the Conservative government afraid to ratify the Law of the Sea? The answer is hard for me to find. Ratification of this convention would certainly help Canada. It would ensure the high seas fisheries would follow ecologically sound practices, including the use of drift-net catching practices. We know what this has done off the coast of Newfoundland.

It would certainly strengthen the maintenance of ecological marine systems in the oceans. It would complete the protection of fish stocks within the 200-mile exclusive economic zone. It would furnish the signatories with a relevant mechanism to implement these laws at the earliest possible opportunity.

It would also provide impetus for the implementation of the recommendations of the Harris report which include: "The management of all fish stocks indigenous to the Canadian Continental Shelf and that extend beyond the 200-mile limit and the right of Canada to deny authorization for foreign fishing fleets to fish within its exclusive economic zone".

The benefits are numerous, yet this government continues to avoid ratifying the accord for reasons that are very difficult for me to understand. I understand that a number of international and Canadian mining corporate interests have lobbied this government not to ratify the convention until revisions are made to the seabed mining provisions. As my colleague from Davenport has said in this House: "There is a public interest at stake that is much broader and much deeper and much more consequential in the long term than that of the mining industry and that of the private sector. There is a public interest at stake here".

It is unfortunate that this government has been more concerned with addressing these remote concerns than with the concerns of the fishermen, the environment and the long-term viability of the communities affected.

The Convention on the Law of the Sea must be ratified; 53 countries have thus far ratified it. A total of 60 are needed in order for the convention to be put into effect. Canada should become one of those seven countries. This is a vital convention and we cannot afford to wait around for it any longer. We have been waiting long enough. This government should do the right thing and ratify the Law of the Sea.

Mrs. Christine Stewart (Northumberland): Mr. Speaker, it is my pleasure to have an opportunity to speak to my colleague's private member's motion which is asking the Canadian government to ratify the international Law of the Sea immediately. There has been an urgent need for ratification of this important international instrument for 10 years now. It is very worrisome to hear this government constantly speak the words, have the rhetoric, but not follow through with the action that is required.

I would like to take a few quotes from our Prime Minister's speech at the earth summit in Rio de Janeiro in Brazil in June of this year. He referred to Canada and said:

> We are the custodians of 20 per cent of the world's fresh water. And we are the guardians of the longest coastline in the world.

The international Law of the Sea would protect not only this longest coastline in the world. It would be in the interest of not only Canada to ratify this convention. There are many many other maritime nations in the world, third world nations I am thinking of in particular, that would derive great benefit from the ratification of the Law of the Sea.

As my colleague said just before me, we are pausing, wondering why it is that this government will not carry forward with immediate ratification. In my estimation there is no excuse for waiting to see if something better might come along that we might sign. It really does appear that our government has been far too influenced once again by national and international corporate interests that at the expense of the common good of all of us—and I think particularly of our thousands of unemployed fishermen in this country at the moment—would have their own interests in the mining of the seabed put first.

Our Prime Minister in Rio went on to say:

> For Canada, sustainable development is not a slogan; it is a prerequisite of our prosperity and a safeguard of our identity. It is also the standard of our responsibility to humanity.

The fishermen on the east coast of this great country of Canada, the best country in the world, would wonder by this government not ratifying this convention now what its responsibility is to them as humanity. I once again remind the House that it is very important for a lot of other humanity in this world for which we should take some responsibility.

The Prime Minister went on to say:

> Canada also supports the strengthening of international environmental law to prevent overfishing on the high seas. In Atlantic Canada overfishing beyond our 200-mile zone has created an ecological crisis. This is why for Canada a global agreement to prevent overfishing is quite simply crucial.

Those are the words of our Prime Minister. The Prime Minister has the power and the responsibility to ratify this international Law of the Sea and yet does not do so.

Just yesterday this government's *Economic and Fiscal Statement* opened with comments from our Minister of Finance to the effect that he wanted members of the opposition to have a full discussion of his statement. He wanted any suggestions possible to come from the

opposition as to what we might do. We have just very recently suggested that the government take measures to close the loopholes whereby enormous amounts of revenue are slipping out of the Canadian government coffers, according to the Auditor General's report.

We on this side have been pressing for months for municipal infrastructure development projects to create jobs. It would not cost the government anything to ratify the convention on the Law of the Sea. It would be good for our fish stocks and our maritime communities that derive their living from the oceans. Because we have not had the international legal instrument to protect our fish stocks and our fishing industry in this country, thousands of direct jobs have been lost in the Atlantic provinces due to the deletion of the cod stocks, to say nothing of the thousands more of indirect job losses which are crippling our maritime regions.

I believe many other species are endangered that could be protected by ratification of the Law of the Sea. Important initiatives can be carried through.

Why is ratification important? I believe ratification is important because it puts into the hands of the global community an instrument which authorizes international monitoring and a reaction to illegal measures that are pursued by national or private interests.

The Secretary-General of the United Nations has put forward what is called an agenda for peace in which he talks about ways that we can bring about a better world with more peace and security for all. He suggests that one of the measures that must be looked at in that context is an improvement of our international court. We must have an international court that has increased international legitimacy and a mandate that must be strengthened.

Although at this moment we do not have an international court that has the full support we would want, I do not believe that is any excuse not to go forward with the ratification of this convention at this time. This convention would bring about many advantages to Canada, none the least would be that the Law of the Sea convention maintains Canada's right to complete sovereignty over our northwest passage, something that is very important to all Canadians.

Finally, the convention represents a precedent setting international convention which seeks to protect our environment and which promotes sustainable development of fisheries, fisheries stocks and other marine resources not only for Canada but for maritime nations around the world.

The Acting Speaker (Mr. Paproski): The time provided for 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

• (1800)

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

KEMANO PROJECT

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I am pleased to enter into a very brief debate tonight.

On November 27 I asked the Minister of the Environment a very important question on the controversial Alcan Kemano project in northern British Columbia in my riding. It related directly to a number of documents that have seen the light of day related to this project. They indicated that at the time this whole project was being reviewed by the Department of Fisheries and Oceans, there was considerable controversy within the department. The department's own scientists then were questioning the senior staff within the department and indeed the political direction of the department to allow the project to proceed without a full environmental review.

Included in those documents, among other things, was one particular memorandum from a public employee that suggested he had been asked by his superiors to change his expert witness testimony at a time when this particular case was proceeding to court.

It has been very clear over the number of years that this issue has been discussed in public that there is a clear mood in northern British Columbia and, indeed, throughout the province to have a full public environmental review of this project, not to speak of all the excellent work of community groups in my riding in

communities like Fort Fraser, Fraser Lake, Vanderhoof, Prince George and other areas. I think there is an obligation on the part of the government to have a full review. The point in my question to the minister that day is that we have learned from the department's own freedom of information officer that there are some 83,000 pages of information on this project which the department refuses to release.

We have been advised by officials in the department in Ottawa that where the proponent, the Alcan Aluminum Company, has provided information to the government that the company has instructed the government not to release any of the documentation.

I say to the Government of Canada, why not release these documents. If the project is so good, why can it not stand on its own feet and have the public information available to people.

I also pursued the question with the minister at the same time, knowing that in British Columbia the new government there thankfully has taken a different approach on this issue. The Minister of the Environment of B.C. will be releasing all of the documents that the B.C. government has produced on this over time and we will get a chance to see the involvement of the Social Credit government of the day. The settlement agreement, as it is called, that governs the flow in this river was signed in secret in 1987. I called on the Minister of the Environment to approach the minister in British Columbia to have a full joint review of this project. Tonight I hope that the person responding from the government side will encourage the minister to do just that. Let us have a full public review of the Kemano project.

Mr. Barry Moore (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, the government has acted responsibly in this review of the Kemano Completion Project. The 1987 settlement agreement reached between the Department of Fisheries and Oceans, British Columbia and Alcan provided fisheries protection through mitigation requirements for the Nechako River system, and furthermore removed the pristine Nanika River from further development by Alcan.

The Department of Fisheries and Oceans conducted considerable analysis of the potential impacts of the proposed Kemano Completion Project to determine protection requirements for fish and fish habitat and also undertook public consultation in 1984.

An out of court settlement agreement was reached with British Columbia and Alcan in 1987 after an independent review panel chaired by Dr. David Strangway, the then president of the University of British Columbia, advised that fisheries experts agreed that the potentially negative impacts on fisheries from the Kemano Completion Project could be mitigated.

The Department of Fisheries and Oceans applied the principles of its policy for the management of fish habitat, providing for no net loss of fish habitat and responsible resource management. The agreement formalized the release of flows to protect fisheries, and required Alcan to provide measures to mitigate the potential impacts on fish and fish habitat, thus securing longer term protection for the fish stocks.

In summary, the settlement agreement was entered into with extensive consideration for potential impacts on fisheries and the Minister of Fisheries and Oceans took the appropriate steps to ensure the necessary protection for fish and fish habitat.

SMALL BUSINESS

Hon. Alan Redway (Don Valley East): Mr. Speaker, tonight I want to introduce you to four small business people from Toronto. There is Jim Frangos, who is a fur coat manufacturer, Nick Piras who is a restaurateur, Will Molson and Susan Bellan, who are retailers.

What do they all have in common? They are all being forced out of business because they cannot get a bank loan. Jim Frangos, the fur coat manufacturer, has been in business for many years. He built up a good business. He has borrowed money from the banks over the years numerous times, and always paid his bills. Right now the banks will not lend him any money. He is in peril of losing his home and in peril of losing his business.

Fur coats, however, are actually selling again. It is interesting to note that right now Canadian furs are being shipped to Greece. They are manufacturing fur coats in Greece and shipping them back to Canada to sell here and elsewhere around the world. There are all sorts of fur coats being sold, but the banks will not lend a fur coat manufacturer in Canada any money to stay in business.

Nick Piras, a restaurateur, has a fine high-class restaurant in Toronto. He has been in business for many years. He has built up a good business. He has borrowed money from the banks. Again, he has never missed a payment, but the banks will not lend him any money. I have a letter from his banker right here which states: "Dear Nick: This is to confirm that the bank is not prepared to provide additional financing for your business".

Will Molson and Susan Bellan, who are retailers, have been in business for 12 years now. They borrowed money in the past. They have never missed a payment and they cannot get a bank loan.

A few years ago it was an entirely different story. One could go into a bank and ask for a loan and they would say: "How much?" In fact, if one asked for a certain amount of money they would say: "Won't you take some more?" Not any more.

Mr. Speaker, as you know and I know, the story is entirely different. A small business person cannot get a bank loan. In fact, I have been told that the banks, all of them, want to clear off their books about 25 per cent of bank loans that are outstanding.

We know that the Minister of State for Small Businesses and the Minister of Finance are most sympathetic with this situation. They have been trying to help. In fact, in the February budget there were some things for small business in it. In the economic and fiscal statement yesterday there were some things for small business. The legislation to implement those things that were in the budget last February still has not been passed. In fact, we had a debate on second reading of a bill a few days ago. Still we do not have this legislation through.

The banks themselves are not being outstanding either. We know the Minister of State for Small Businesses has met with them numerous times and pleaded with them to do something. Yesterday the Minister of Finance in his statement stated: "I am serving notice to Canada's banks that I expect them to make a special effort to play a constructive role in ensuring the success of this program". Those are great words, but there still is not any action.

Jim Frangos just cannot wait. Nick Piras cannot wait. Will Molson and Susan Bellan cannot wait and thousands of other small business people cannot wait.

I want to ask the minister tonight just what am I going to tell them.

Mr. Barry Moore (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, I hope you will give me the chance to respond because there is much good news in the highlights of the Minister of Finance's economic statement given yesterday in the House.

A significant part of the statement by the Minister of Finance was devoted to small business and to new and improved ways of helping this very important sector of our Canadian economy. I would like to highlight a few of them.

The Small Businesses Loans Act program which assists small business in obtaining access to financing will be made even more effective by the increase in maximum loan size to $250,000. This higher limit will permit larger program loans for all eligible businesses, including firms investing in technology, to improve their competitiveness. A number of other improvements are being made to the program and these will be made public tomorrow when the Minister of State for Small Businesses and Tourism tables a bill to amend the act.

As indicated in the economic statement, the government is also working to broaden the implication of the program to include some forms of working capital loans. The Small Business Financing Program, aimed at helping financially troubled businesses lower their cost of debt, is being extended to December 31, 1994.

• (1810)

The revitalization of our manufacturing industry is of a high priority and this process will be helped by the introduction of an investment tax credit on the purchase of machinery and equipment. This two-year program will lower cost and promote investment in modernization and technology. Large amounts of capital from Canadians in all walks of life are presently held in RRSPs and RRIFs. In order to direct some of these funds to investment in small businesses the rules for self-directed RRSPs and RRIFs are being simplified together with the reporting requirements of trustees of these types of plans. The simplified regulations should result in an increased flow of capital to small businesses which is what the hon. member is looking for.

The statement gives recognition to the importance of technology today by improving and simplifying R and D rules for small businesses. These will eliminate confusion and uncertainty among business persons and allow them to proceed with projects knowing that their expenditures do indeed qualify for tax credits and other benefits.

We will be mentioning in passing other initiatives in the economic statement designed to help small business continue in its vital role, improvements to the industrial research program, a reduction of the regulatory burden and a holiday from unemployment insurance premiums for new employees of small businesses.

WESTRAY COAL MINE

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, I am here concerning my question of May 22 of this year regarding the Westray mine.

I asked the Minister of State for Small Businesses and Tourism about the safety of this mine and all we got were vague generalities. I want to know, and the people of Nova Scotia and Canada want to know, about the role of the government, particularly his and that of the Prime Minister regarding the safety of this mine.

In his response to my supplementary: "What the Prime Minister was talking about is that this is over all an economic or business decision for the Government of Canada and not a safety decision; in fact, the Devco report of 1987 emphasized almost entirely nothing but business questions. That is what he was talking about".

The Devco report did relate to safety decisions. The government supposedly, with the statements of the Minister of State for Small Businesses and Tourism, had independent inquiries coming from experts on the safety of the Westray mine. The fact is that the Department of Energy, Mines and Resources was concerned with safety.

The problem is that nothing was acted upon regarding safety. In fact the minister of energy would not even answer a question in this House that was put to him on the question of safety.

The fact of the matter is that we in Atlantic Canada are in a desperate economic situation but not desperate enough to forego the safety factors on job opportunities. The people of Pictou county are no exception. The people want to work. It is not a question, as my colleague from Cape Breton—East Richmond and I have stated, of Cape Bretoners feeling that Pictou county coal was going to be a competition. The question is the safety of people.

In fact in Cape Breton right now we have had a very serious problem with regard to flooding of the Lingan mine, to the extent that the Lingan mine has now been closed four months ahead of schedule. It has also put at risk the Lingan–Phalen mine which employs another 700 people and is the sole source right now of metallurgical coal that is blended with the higher sulphur coal that gives the Cape Breton Development Corporation coal its readily accessible markets.

The problem, of course, is if we lose the Lingan–Phalen mine, then Devco and industrial Cape Breton is in even more of a difficult situation.

The fact of the matter is management at Devco closed Lingan–Phalen until they could be absolutely sure there was not going to be any flooding. That will be closed for months and it will mean severe economic hardship. The fact is the safety of the people came first.

We want to know what safety factors were not considered by this government. We want to know what fell down, who fell down, in this regard. It is not a big question. We want some answers and the fact is we are not getting them. The most incredible thing relating to the inquiry set up by the province of Nova Scotia into this terrible disaster was that the wording of the inquiry was found to contravene the rights of the officers of the Curragh Resources to be able to get a fair hearing in a criminal action.

It is almost impossible to believe that the province of Nova Scotia, the Attorney General, the whole Department of the Attorney General, would not know how to word an inquiry so it would not run foul of that concern, particularly when it had the precedent from Ontario just a few years before. There is a lot of skulduggery here. We were not allowed to have this heard in the standing committee on industry. The families are agonizing over

unanswered questions and I feel it is only fair that the government do more to provide those answers.

Mr. Barry Moore (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, I am pleased to have the opportunity today to clear up the hon. member's confusion surrounding the reports of the independent mining consultants regarding the development of the Westray mine.

As the responsible minister said in this House on many occasions, reputable independent mining consultants were engaged by the lender to ensure that the mine was in compliance with provincial regulations. As guarantor of the loan to Westray, we reviewed these reports in order to ensure that the interests of the Canadian taxpayer were safeguarded.

According to the report submitted by Associated Mining Consultants Incorporated, at no time was the Westray mine not in full compliance with the regulations governing mining operations in the province of Nova Scotia.

The government has released thousands of pages of documentation relating to this file and has answered fully literally dozens of questions in the House in this regard. Given this fact, it is understandable that the hon. member might have misunderstood various responses to certain questions, but I can assure him that at no time did the government offer conflicting information as indicated by the hon. member in his question of May 22, 1992.

EMPLOYMENT EQUITY

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, on June 8 I asked the Minister of Justice to extend the mandate of the Canadian Human Rights Commission in order to enforce employment equity under the Canada Public Service Act as well as within federal agencies. I expressed concerns that victims of racism and discrimination often have to wait two to three years—in the case of Chander Grover I think it has been six years—to have their cases dealt with because of inadequate resources.

The minister in response to my question refused to even recognize that there was a problem.

The Canadian Human Rights Commission needs adequate funding to deal with both systemic discrimination as well as individual complaints. Because of inadequate resources, as I said, complainants often have to wait far too long to have their cases processed. Yet instead of increasing funding, this year $347,000 was cut from the commission's budget.

In addition, termination of the Court Challenges Program by the federal government in the last budget was another serious blow to equality rights for women and minorities. This means that disadvantaged persons no longer have legal funds for test cases and equality cases under the charter, cases that are so important in interpreting and sometimes in changing our laws.

We also found in that budget that the government refused absolutely to fund a race relations foundation which had been promised as part of redress for Japanese Canadians. This was another betrayal.

This week we learn that advocacy groups have had 10 per cent per year cuts in their grants under the mini budget. These groups are essential to fight for disadvantaged and powerless Canadians. This 10 per cent per year cut has to be added to very dramatic cuts they have had that have accumulated over the last three years. In some cases it must bring it up to 60 per cent or 70 per cent cuts which essentially will destroy many very important organizations.

I am ashamed that our government as an employer itself practises systemic discrimination. It has not increased the hiring of visible minorities over the past four years. The 3.6 per cent participation rate in the Public Service compares very poorly with 7 per cent racial minorities in the general work force.

• (1820)

In June the minister told us the review of the Employment Equity Act would provide a better context for understanding what needs to be done, but nothing has been done. The parliamentary committee asked for direct enforcement by the Human Rights Commission and the commissioner himself has for years advocated several reforms in this direction.

By the year 2001, 80 per cent of new entrants into the labour force in Canada will be women, visible minorities, aboriginals and persons with disabilities. Canada must protect their rights to equality and must open opportunities for their advancement. The government must act now to renew and review the Canadian Human Rights Commission and amend the Canadian Human Rights Act so that we can achieve real equality in Canada.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, I do not agree with the comments of the hon. member.

First of all, the Employment Equity Act was reviewed over the past several months by a special committee of Parliament chaired by the hon. member for Don Valley East. That report has been tabled in Parliament and the government is having a look at it. We have 150 days in which to respond to the committee's report.

The Minister of State for Employment and Immigration is also examining the report in consultation with the Minister of Justice and other interested ministers, and the role of the Canadian Human Rights Commission is obviously an issue that is being considered fully.

I should point out to the House that the Government of Canada itself has had employment programs and in fact considerable progress has been made.

You have heard, Mr. Speaker, that somehow the Canadian Human Rights Commission has not been getting any money but in fact I point out that since the fiscal year 1987–88 the budget of the Canadian Human Rights Commission has increased by 66 per cent as well as a 27 per cent increase in person-year allotment. There are a lot of government departments that would like to have had that in the last five years. The hon. member should point that out.

The Canadian Human Rights Commission is independent of the government. The commission is responsible for the enforcement and administration of the Canadian Human Rights Act. The way in which it administers the act and allocates its resources is a matter which the commission must decide. However, I understand the commission has taken a number of steps to speed up the processing and resolution of complaints.

REPORT OF THE AUDITOR GENERAL

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, on November 25 I put a question to the minister responsible for small business concerning the Westray coal disaster. At that time I called on the government to conduct a federal inquiry into matters surrounding that particular place of operation. Unfortunately the government has not seen fit to instruct its officials to hold a parliamentary inquiry.

I want to remind the parliamentary secretary to the minister responsible that this is one of the most serious and tragic events that has happened in the history of Nova Scotia and for this federal government to turn its face away from the people and particularly the widows and family members of those deceased miners is despicable.

The Auditor General pointed out in his report that only $9.9 million in fees were paid to the management. Not a bad day's pay. The government gave a guarantee of 103 per cent of pre-production costs. That is what the Westray promoters got. Not a bad day at all for them.

I want to remind the parliamentary secretary again that the people of Canada, the people of Pictou county and the people of Nova Scotia deserve as a minimum a parliamentary inquiry to discover all of the facts surrounding this tragic event.

It is not sufficient for the government to say that it will let the province do it because we know what the province of Nova Scotia under the leadership of Donald Cameron has done with that particular issue. We know about the safety concerns at this particular mine which is regulated by the province of Nova Scotia. It is an absolute and utter disgrace, as the charges which have been evidenced to date will indicate.

I want to remind the parliamentary secretary that in my own district as of today the Lingan colliery has shut down and the Phalen colliery is shut down. For many safety reasons I would advise workers not to go back to the Phalen mine. In point of fact on Saturday of this week I will be meeting with mining representatives to discuss that very issue.

On the Westray issue this government was drunk with stupidity, falling over itself to provide money, $9.9 million in management fees to the promoters, 103 per cent loan guarantee on pre-production costs.

It would be appropriate and morally responsible for the Government of Canada to conduct a parliamentary inquiry in order to give the officials that the government has been protecting for the last number of months an opportunity to come forward, put their case before the Canadian people and account for their omissions or,

indeed, have them account for the nice little goose egg they made with the Tory administration in Ottawa.

The parliamentary secretary, whom I know to be a respectable man in this Chamber, should urge his ministers and his colleagues to have the appropriate committee examine in detail all of the information which is there for everyone to see, except the people of Canada who do not have an opportunity to question those in authority.

I urge the parliamentary secretary to do that on behalf of the people in Pictou county who are calling upon the Prime Minister and the government to order a parliamentary inquiry.

Mr. Barry Moore (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, I have been asked to respond to the suggestion made in the Auditor General's report and also by the hon. member that the government provided assistance to Westray that amounted to 103 per cent of the net pre-production costs.

The company was required to provide $15 million in cash during the pre-production period, plus share in the loan insurance risk, with possible tax benefit credits, principally in future years. The total financing by Curragh totalled $30 million, consisting of $9 million in cash, $6 million in deferred management fees, and $15 million which represents 15 per cent of the bank loan guarantee. They were also fully responsible for any cost overruns that occurred.

The Auditor General's report offsets the $30 million of company financing with $34.2 million of potential tax benefits. It could be easy to misinterpret the manner in which the potential tax benefits are reported without also realizing that tax benefits are potential and are realized only if there are profits against which they can be applied.

In this instance these benefits did not all materialize as Curragh suffered losses subsequent to the start-up of the Westray mine.

The Auditor General's exhibit 13-7 does not represent actual cash flow or actual costs but simply what might have occurred had Curragh been more profitable than it was and had been able to take advantage of the tax concessions. In actual fact all of the tax concessions were not available to Curragh and the Westray mine is reported to have cost Curragh in excess of $28.5 million.

One must realize that the purpose of loan insurance is to encourage financial institutions to loan money to projects which, by their nature, would not normally be financed by these institutions or only at extremely high rates of interest. We were satisfied that Curragh shared a significant portion of the risk as demonstrated by the size of their reported loss on this project.

The Acting Speaker (Mr. Paproski): Pursuant to Order made Tuesday, December 1, 1992, the motion to adjourn the House is now deemed to have been withdrawn.

Pursuant to Order made Tuesday, December 1, 1992, the House will resume debate on the motion for second reading of Bill C-98, an act to provide additional borrowing authority for the fiscal year beginning April 1, 1992.

GOVERNMENT ORDERS

[*English*]

BORROWING AUTHORITY ACT, 1992-93 (NO. 2)

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Mazankowski that Bill C-98, an act to provide additional borrowing authority for the fiscal year beginning April 1, 1992, be read the second time and referred to a legislative committee in the Economics envelope.

Ms. Mary Clancy (Halifax): Mr. Speaker, I would like to say I am delighted to rise in this debate, but I am afraid that would not be true. I am inured to rise in this debate because of what the government perpetrated upon the people of Canada yesterday. I am most particularly upset, as are the vast majority of women in this country, with regard to one particular aspect of yesterday's so-called economic statement.

• (1830)

Others more eloquent than I have talked about the attack by this government on the unemployed but I want to talk particularly about the attack on women in this country. I refer of course to the utterly despicable decision by this government to refuse unemployment insurance benefits to people who quit their jobs volun-

tarily. This isolates thousands of women, possibly more than thousands in this country, who will quit their jobs because of sexual harassment.

I had a lot of things thrown at me in this Chamber today but I heard ministers of the Crown stand and say: "Nothing to worry about. Sexual harassment will be just cause". Well let me explain the concept of just cause within the concept of the Unemployment Insurance Appeal Board and within the concept of the woman applying for benefits after she has quit her job because she has been sexually harassed.

First of all let us look at the process and the time. I am giving you times that are 8 to 12 years old because I chaired the Unemployment Insurance Appeal Board from 1980 to 1984. My knowledge of time spans comes from that time. I can only say if those time spans have not lengthened considerably then it is the only place within the entire legal system where they have not.

What happens? I will tell you what happens. A woman leaves her job because sexual harassment is intolerable and unbearable. She does the standard thing and goes to the employment office with her documents to apply for unemployment insurance. She explains she quit her job because of sexual harassment. Without fail, in my experience and in the experience of my colleagues knowledgeable in this area, she will be disqualified. Under the old rules that meant she bore a penalty period of approximately eight weeks. For most women then, in spite of the penalty period that was enforced, there was the knowledge the remainder of the claim would be available. Many of them would bring forward an appeal to the Unemployment Insurance Appeal Board. Some of them, having lost there, would then take the appeal to the umpire, a judge of the Federal Court.

I will quote my colleague, the member for Gander—Grand Falls, who is one of the most knowledgeable people in this House when it comes to representing his constituents before Unemployment Insurance Appeal Boards. In Newfoundland you would be looking at about eight weeks from disqualification to appeal. You would be looking at at least another week to knowledge of the decision on your appeal board but you could be looking at as long as two years before the Federal Court judge came to Newfoundland to hear the appeals from the decisions of the appeal board. By that time who would care? What would have become of the person who had been disqualified?

As I say, under the old rules a woman in that position could at least look forward to the remainder of her claim. Now she can look forward to nothing.

I heard over and over again sexual harassment is just cause. Well it certainly is, but little has been shown by this government that it believes it.

I rose three times in this House last week and once this week on different issues of sexual harassment. There are two women from the Public Service in Halifax who are currently at home collecting UI benefits. They are lucky they are still under the old rules. The Public Service of Canada in two separate investigations found sexual harassment against these two women yet they are at home without jobs, collecting UI benefits. Their harassers who are known to the Public Service Commission are in their jobs. According to a report someone in that very office is highly amused the member of Parliament for Halifax has brought forward this complaint and these women have gone public in the press. I promise that sometime before I die people will be laughing from the other sides of their faces.

There are other incidents of sexual harassment in the Public Service of Canada. I have an incident of a woman who was at managerial level in another Public Service branch who is also at home collecting unemployment insurance benefits because she dared to complain.

I have another incident of a woman who was on contract and was told by a minister of this very House the report she made would not be left on her file. She is also currently unemployed.

We have a report from the advisory body on the status of women to the Associate Minister of National Defence that was published last week. I raised it in the House yesterday and it says: "The Armed Forces of Canada: Complaints rise from every base in this country on sexual harassment".

Does this sound like a government that has a policy that would consider sexual harassment just cause for leaving your employment? If it does to you, Mr. Speaker, I can only say it does not to the women of Canada, and the women of Canada are upset.

We are not going to sit back and allow a whole series of Anita Hills to be pilloried in this country the way they were in the United States. This makes us angry and it is not just women parliamentarians, women lawyers and those of us who have a voice and an arena in which to speak who are angry. It is women across the board in this country. It is store clerks, secretaries, clerks in government departments, people all over the place who work for low wages and have glass ceilings keeping them from advancement. They are angry and they have a right to be angry.

This government has changed the rules in UI so if these women are sexually harassed and quit their jobs they have to prove their cases. They are going to have to hire lawyers to do it. I would like to know where the government, and in particular the Minister of Employment and Immigration, thinks they are going to get the money to do this. By accidents of birth, education, and personality a number of us can combat this kind of behaviour and cut it off where it deserves to be cut off.

The woman who can barely afford bus fare, to quote one of my hon. colleagues in the other place this afternoon, does not have that luxury. She does not have that kind of money. In this economy where this government has cut so much to so many groups, there is not a legal aid office that can afford to take on cases like that.

I know my hon. colleague, the member for Cape Breton—East Richmond and our critic for justice, knows that as well. Legal aid lawyers are too busy with security of the person cases to have time to represent these.

Not all members of Parliament are committed as the member for Gander—Grand Falls to representing constituents in these situations.

What happens to these women? I will tell you what happens to them. They quit their jobs. They do not have the money for legal representation. They know the "cubs" as they are called, which are the reports of the umpire, show unequivocally that sexual harassment has not been found to be just cause. So what happens to these women? They go on welfare. They go on social assistance. They walk away because they cannot sacrifice what little money they have for lawyers' fees and they do not have enough to cover them anyway. There is no legal aid and there sure is no recourse from their government in Ottawa. The government in Ottawa, through its senior public servants, its minions, the supposed personnel officers for this government, says sexual harassment complaints are childish. They say sexual harassment is something women have to learn to live with. We will not and we are not going to put up with it.

• (1840)

[*Translation*]

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I am pleased to rise this evening to support the important and progressive economic program tabled yesterday by my colleague, the Minister of Finance. I will talk more specifically about the measures in this program that deal with transport.

Over all, the measures that were announced will significantly affect every Canadian. Some have said that it is strong medicine and too extreme. Based on my own experience as a businessman and a politician at the municipal and federal levels I can only applaud the strategy developed by my colleague to reduce expenses and, at the same time, to apply the economic stimulus that is so necessary to our country in the present circumstances.

[*English*]

Transportation cannot be immune from such a balancing exercise. Belt tightening has to be shared by all Canadians.

As the Minister of Finance said in his statement, the government will commit $500 million in new federal spending during the next two years to a strategic investment program. I am pleased to note a considerable portion of these funds has been earmarked for transportation infrastructure.

The federal initiative comprises two parts. First, the federal government will invest up to $255 million in federally owned highway infrastructure which is key to economic development. Among other things funds will be allocated to the maintenance of the federal bridges in Montreal, namely the Champlain and Jacques Cartier bridges. These bridges have reached their full capacity and handle some 80 million vehicles a year. At this rate the rapidity with which these bridge facilities are deteriorating cannot be overstated. Given their strategic importance for the Montreal region as major national and

international arteries, it is our responsibility to ensure these links are maintained in safe and usable conditions.

[*Translation*]

A second important federal intervention concerns the Trans-Canada Highway in the national parks located in Newfoundland, Alberta and British Columbia. More than 200 kilometres of the Trans-Canada Highway belong to the federal government and major sections of that highway no longer meet safety standards.

Provincial highways have aged in spite of the efforts made by provinces. If we want to meet present needs and promote economic growth for tomorrow it is essential to do these repairs and to expand our whole highway system. Without interfering in provincial jurisdiction the federal government has now announced its intention to invest jointly with the provinces in some provincial road projects that are national priorities in terms of security and economic growth.

Consequently, the federal government will invest over $400 million in upgrading provincial highways across the country. We believe that the provinces will be pleased with this unprecedented federal effort and will participate with us in implementing this ambitious highway investment program. We will very soon discuss with the provinces the specific projects to be undertaken as well as the provinces' financial involvement. We hope that construction can begin as early as next spring thus speeding the economic recovery. It is estimated that these projects will generate approximately 11,000 person-years of employment over the next five years.

[*English*]

In addition to upgrading existing highways and bridges it is also time to begin the construction of new strategic infrastructures. Consequently the federal government will commit to the construction of a fixed crossing to P.E.I. provided the province agrees to recognize the facility meets Canada's constitutional obligations to the province. To demonstrate this commitment the government will allow advanced engineering and environmental work to proceed.

Assuming provincial agreements and successful negotiations with the private developer, project construction could begin next spring. The project is expected to generate up to 3,500 person- years of employment over a five-year construction period. Roughly 70 per cent of the estimated $800 million to $900 million project cost will be spent in Atlantic Canada.

Surface transportation has many interdependent links. For an integrated approach it is vital we ensure improvements are undertaken which strengthen the transportation system as a whole.

At this time I am pleased to be able to inform this House of developments in two other areas of transport activity. On the port side, Canada Ports Corporation has a key role to play in ensuring that our ports make the necessary key commercial investments needed to meet the competitive challenge of global markets.

I understand that Canada Ports Corporation has given high priority consideration to strategic capital investments in a number of areas, including a major new container facility for the port of Vancouver at Roberts Bank and an expansion of existing container facilities, as well as rail network improvements, in the port of Montreal.

The government will be exploring similar non-budget financing opportunities in other areas as further strategic infrastructure projects with clear and direct commercial potential are identified.

On the rail side the government is prepared to make available new funding for the development of a more efficient rail system in high-traffic areas. Works will include new grade separations and other improvements with high safety and efficiency pay-offs.

Let me now turn to another vital element of our transportation infrastructure, namely our airports. The initiative provides for airport capital projects based on commercial arrangements, arrangements which will not require new government spending.

Airports in particular can make a strong contribution to the economic life of their communities as independent commercial entities. The transfer of a number of federal airports to local operating authorities with independent financing capabilities is already facilitating productive new investments such as the development of a major new runway facility for Vancouver.

Similarly, pending consideration of the report of the environmental panel, it is anticipated that any new runways at Pearson International will be constructed and funded on the basis of a commercial approach. The

importance of Pearson cannot be overstated. The airport now generates more than 56,000 direct and indirect jobs, which in turn generate $1.9 billion a year in personal income and $4 billion in direct revenue for local businesses and the tourist industry.

Modern facilities at Pearson are vital to the economic and social development of metropolitan Toronto, southern Ontario and all of Canada. In the case of terminal 3 it was the first time that government asked the private sector to provide a terminal building and operate it without government funding. The opening of terminal 3 in early 1991 and the improvements completed to terminal 2 in 1990 provided the additional terminal capacity to meet the short-term needs of Pearson Airport.

The government is committed to expanding Pearson's terminal capacity to provide better service to an increasing number of users. Development must however proceed in a responsible manner within established guidelines.

[*Translation*]

Members know very well that the environment is changing for all airline companies of the world and Canada is no exception. Our two main carriers have undertaken an organizational realignment in order to try to meet the challenge they are faced with.

Last March the government issued a request for proposals for the retrofitting and operation of terminals 1 and 2 at Pearson airport.

As the Minister of Finance said, we are ready to launch the project for terminals 1 and 2 in Toronto if we can get private funding. The project will be carried out in such a way as not to disturb these companies in their efforts to remain cost-effective. It should allow for the creation of 2,000 to 3,000 jobs each year during construction. I will be in a position to give you more information on this initiative in the near future.

[*English*]

During the next five years I envisage an expenditure of up to $20 million on airports north of 60. In our modern technological age the concept of infrastructure embraces more than roads, bridges and runways. High technology infrastructure has an important place in our modern transportation system.

For example International Civil Aviation is moving to microwave landing systems as the standard for instrument landing with a 1998 target for implementation. Therefore, there is a need to prepare Canadian airports for this development.

In the context of this initiative the money we are allocating to the MLS project will allow for an early start in applying the latest technology to air navigation.

MLS provides an opportunity for development of advanced technology within Canada which will both answer our own immediate operational needs and give us a product with considerable export potential.

This key economic sector will also gain from many of the other initiatives announced by my hon. colleague in his statement.

• (1850)

In the coming weeks we will be working diligently to finalize agreements with our partners in the various components of this initiative and we will commence work as soon as it is feasible to do so.

Mr. Derek Blackburn (Brant): I am not particularly happy to participate in this debate today on the Minister of Finance's economic statement that he delivered before the House yesterday. I say that because I think it was one of the saddest documents I have had the misfortune to listen to and read in this Chamber. However, do not just take my word for it.

The Minister of Finance today was quoting various articles from the *Toronto Star* to reinforce his arguments in response to questions during Question Period. I would like bring to the House's attention Carol Goar's article in today's *Toronto Star*. It is headlined: "A brazen attack on the weakest". That headline is referring to the minister's economic statement of yesterday. In the first paragraph she writes:

> A government that would cut unemployment insurance benefits at a time like this is not just heartless. It is dangerously out of touch with the people it purports to serve.
>
> By reaching into the pockets of the unemployed yesterday, finance minister Don Mazankowski transformed a mid-course economic correction into a brazen attack on the nation's most vulnerable citizens.

Many speakers on this side of the House have drawn attention to the absolute unfairness of the economic statement which was in fact a budget for the next fiscal year. It is not surprising that a Conservative government that still holds to the old ideology of the trickle-down theory of economics, that if we make it richer for the people at the top they will spend money and invest

money and it will somehow trickle down to the middle and lower income groups, a government that still adheres to that kind of economic philosophy is so out of whack, so out of date with the present reality that it no longer deserves to hold power in this country and to be in government.

After all the Americans discovered in the past year or two just how Reaganomics had destroyed their economy over the previous 10 years and they took action. They took action the democratic way and threw out a Republican conservative president of their country. That is exactly what the people of this country are going to do in the next seven or eight months when this government gets up enough nerve to call an election.

In the limited time that I have this evening I want to zero in on two aspects of that budget. The first aspect concerns the changes to the unemployment insurance system.

I do not know why the Minister of Finance would pick the weakest in our economy, the weakest in our society, to fight the deficit on. I really do not understand it. These are the people who are unemployed. These are the people who have been in and out of work for the past two or three years. Some of them have been out of work completely for the last two or three years. Yet this is the group the Conservative government of the day has targeted, on whose backs it has decided to fight the deficit and the debt.

The measures taken by the government are nothing short of Draconian. I do not think there is any question about that.

The initiative says that those who quit their jobs without just cause and those fired for insubordination will simply not get unemployment insurance benefits, period. I did not think that I would be in this Chamber long enough to witness any government taking that kind of extreme and unfair action, particularly at a time of severe economic depression in this country.

Who says, for example, what a just cause is? How do we know whether the applicant quit because he or she did not care or because he or she was working for an abusive boss? These tribunals, this appeal process, is really not a court process.

They are not the rules of evidence. They are not the protections for those who are innocent. I suggest that when some of these cases get to the umpire, and the backlog builds up year after year after year, that these tribunals will be emotionally charged to the point where I doubt very much whether natural justice will have its day in court.

I suggest that the Minister of Finance go back to the blueprint, go back to his drawing board, and in the name of decency withdraw that Draconian measure which he introduced yesterday in his budget.

Whose decision will it be to say whether the applicant had a reason to quit? Is it the employer's word against the applicant's? If that is the case we all know whose side this government will be on.

What about workers who quit because they are breathing in toxic fumes and the company refuses to clean up its act? What about the woman who is forced to quit her job because her husband gets a transfer to another city? Is that going to be considered just cause? After all she has paid into unemployment insurance for many months, or many years in most cases. Should she be deprived of benefits simply because, through no fault of her own, she has to quit and remove herself to another city or another province?

Does anyone on the government side really appreciate just how long these appeals take? Can the House imagine an employee going to his employer and saying: "I am not working in that paint shop another minute. It is killing me. The toxic fumes are so intense I cannot breathe". Can the House imagine how long an environmental investigation assessment would take? It would take not weeks or months but possibly two or three years.

In the meantime the employee could be adjudicated as having not exercised just cause in quitting his job and therefore be denied unemployment insurance because the tribunal at that point, or the umpire, would not have the scientific evidence at its disposal in order to come to a decision in favour of the employee who has quit.

This is extremely unfair. It is going to open the whole process to even more abuse, this time particularly on the part of the employers. If we are talking about sexual harassment—and the hon. member for Halifax went into a great deal of detail in her remarks, and I agreed with everything she said—it is going to be extremely unfair to

women who are victims of sexual harassment, not necessarily physical harassment but verbal harassment. How do people prove that unless they walk around with some kind of a concealed microphone or tape recorder on their person? Do members see how this is going to bring so much tension, strife and conflict within the work place?

The government is reducing its costs of unemployment insurance but little does it realize that by withdrawing money or reducing money within the unemployment insurance envelope it is actually going to hurt small business in an economic downturn, in a severe recession.

In my riding of Brant there are many small businesses, small retail shops, which without welfare cheques from their customers and without unemployment insurance cheques from their customers would not make it during a recession. A lot of them do not want to admit it but it is the absolute truth. When people receive unemployment insurance they do not take that money and sock it into some luxury condominium in the Cayman Islands. They spend all that money and they spend it at home. They spend it on groceries, clothes, gasoline, car repairs, you name it. It goes directly back into the local economy.

Cutting back $550 million in unemployment insurance benefits means that there is so much less money to go back into the local economies across this country.

In cutting back on unemployment insurance, in tackling the poor in this country, the disadvantaged and the unemployed I noticed that the Minister of Finance once again very conveniently side-stepped the big issue of taxing family trusts. There is over $50 billion in family trusts, controlled by fewer than 100 families, in this country. It will now go untaxed for another 50 or 75 years until the last child living today dies. That could be 80 years. It is estimated that there will be accumulated tax losses of close to $100 billion over the next 50 to 75 years.

• (1900)

Even in one year alone, if those family trusts were taxed—and I am talking now about the Westons, the Bronfmans, the very wealthy people in this country—it is estimated that we could get $35 billion in taxes—billions of dollars, not millions—from that source. These people would be forced to pay their fair share of taxes. That is equal to one year's annual budgetary deficit.

That is how serious this government is about making the tax system fair in this country. It is an absolute shame that this government allows the very rich and powerful in this country to get away without paying their fair share of taxes. At the same time it goes after those on unemployment insurance to cut back on their benefits. In my view, this government has become an absolute national disgrace.

Hon. Pauline Browes (Minister of State (Environment)): Mr. Speaker, I am pleased to have the opportunity to address members tonight concerning the economic statement recently brought down in the House of Commons.

The theme of investing in growth, investing in people, investing in our infrastructure are the themes I have heard in my own community of Scarborough Centre.

Scarborough Centre is a riding in metropolitan Toronto which has many small businesses. The heart and soul of every community and, indeed, the Canadian economy, is small business.

When businesses expand communities prosper and the Canadian economy grows. Businesses with 50 or fewer employees account for about 45 per cent of private sector employment in Canada. They have been responsible for most private sector job creation in recent years.

Between 1979 and 1990 small business has created more than two million new full-time jobs for Canadians. This is more than 80 per cent of the total jobs it created during that period. I am very proud of the vibrant small businesses we have in Scarborough Centre.

A business, however, is more than just a business to those who start it. It is a symbol of pride and fulfilment of a lifelong dream, the fruition of an idea, the result of tireless hard work and determination to make that idea come to life. The Government of Canada is working very hard to preserve and foster this sense of pride and to keep the dreams of every small business person alive in Canada.

Yesterday in the House of Commons my hon. colleague, the Minister of Finance, set out a plan to encourage the creation of more small businesses in Canada and the retention of existing ones.

The RRSP home buyers plan has been extended by another year and the Small Business Financing Program by another two years. He also introduced a one-year 10 per cent small business investment tax credit for purchases of machinery and equipment. That is going to be very good news indeed for Scarborough Centre and all of metro Toronto.

As well, he outlined plans to provide most new and existing small businesses in Canada with relief in the area of unemployment insurance premiums for 1993.

To encourage small businesses to expand and to hire new employees the government will, in effect, pay any increase in unemployment insurance employer premiums over the 1990 levels up to a maximum of $30,000. Therefore, any incorporated or unincorporated businesses whose employer's share of unemployment insurance premiums in 1992 was less than $60,000 will be eligible to benefit under this program.

These innovative measures will allow small and medium-sized businesses in Canada to continue to grow, to modernize, to create jobs in communities across this great nation of ours.

I know the benefits to a community of a prosperous local business sector. In my own community of Scarborough there are numerous examples of small businesses that are doing well. Some small businesses have now grown to medium and large-sized ones.

When it comes to unemployment insurance, we have talked to our constituents across Canada and we have heard of the costly abuses of unemployment insurance. We can all cite examples. That is why a very important aspect of this economic statement has been incorporated to deal with these abuses.

It was announced that some persons who voluntarily quit their jobs without just cause or who lose their jobs because of their own misconduct will not be eligible for unemployment insurance.

Let me hasten to say that just cause has already been defined as reasons of health, safety concerns, transfer of a spouse to another region of the country, and harassment. I feel confident those abuses which have taken place will indeed be curtailed because of the inclusion of this just cause provision in this economic statement.

Now let me turn to the environmental aspects of the statement. Many companies in Scarborough and across Canada have demonstrated a commitment to the production of environmentally friendly products and environmentally sensitive production processes. This is very important since the environment is one of Canada's and the world's fastest growing industries.

Yesterday's economic statement has in no way reduced our government's commitment to protecting Canada's environment.

Although the green plan's budget has been reduced, funding for green plan initiatives will continue to grow significantly on a year to year basis at a time when expenditures on most programs will decline or be frozen. In fact, spending under our green plan program will continue to increase by some 30 per cent each year in the next three years.

As well, there is very good news for our national parks. In British Columbia and Alberta the national parks and roads will be improved as will the national park in Newfoundland. That will improve safety and make it far more accessible for visitors in our magnificent national parks.

The green plan's budget however should not be taken as a measure of its success or its failure, not the budget alone. The green plan's mandate is to improve decision making and decision-making processes and to change people's attitudes relating to the environment. Its accomplishments can only be judged by its ability to achieve its all-important goals, and this goes to the heart of the green plan and what it is all about.

There is good news concerning the expansion of environmental industries. The world market for environmental products in 1990 was approximately $200 billion U.S. By the year 2000 it is expected to grow to some $375 billion U.S. currency.

In Canada the market for environmental products is estimated to be some $7 billion. This $7 billion of environmental industries creates another $13 billion in indirect economic activity for a total of over $20 billion.

Some 150,000 Canadians work in this rapidly growing sector of our economy. It is growing steadily and is the real growth industry in Canada. I am so very proud to hear about the number of students enrolled in those environmental studies in order to go into these indus-

tries, to begin new industries, begin those new businesses that are being talked about in this economic statement.

Our government also believes that one of the keys to economic prosperity for Canada is the reduction of Canada's national debt. The hon. finance minister's economic statement yesterday reflects this position.

• (1910)

Individually and collectively, it is incumbent on us to curtail further deficit increases. Debt load leaves countries vulnerable. It is money which cannot be used to help our small businesses or develop our economy.

Our government has reversed the Government of Canada's operating deficit of some $16 billion in 1984 to an operating surplus. This economic statement further assists in this respect.

All Canadians have a responsibility to do their part in helping to reduce our country's burden of debt. That is why I fully support my colleagues announcement of a two-year freeze in the salaries of the Governor General, the Lieutenant-Governor, the Prime Minister, all ministers and indeed, each of us in the House of Commons, as well as on salaries of the public servants of the Crown.

The measures announced by my colleague yesterday in his economic statement demonstrate the Government of Canada's commitment to fostering the success of small businesses in communities throughout this magnificent country of ours.

As well, it sends a positive message to all Canadians. It is a message that this government is serious about fostering the entrepreneurial spirit of Canada's small business men and women.

This government is serious about preserving the heart and soul of the Canadian economy, the small business sector, in order that our children and indeed our grandchildren will have opportunities and will be the beneficiaries of our responsible actions and decisions.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Madam Speaker, it gives me a great deal of pleasure to speak on the economic statement delivered yesterday by the Minister of Finance.

I have quite a few concerns about the economic statement. I will relate them to the Minister of Finance who is in the House. I appreciate his presence. First of all, because he is here, I have to give credit where credit is due.

For a long time we have been trying to promote an industry on Cape Breton Island that made microwave landing systems. I have spoken to the Minister of Finance on this in the past. He has been very supportive to the extent that the government has awarded a contract to this company.

It is going to be of tremendous importance to my riding which has terrible unemployment. Not only that, but it is also going to enable us to get away from the older stereotyped industries of coal and steel. It will get us into a technological type of industry in which Cape Bretoners can develop a track record. They will be able to get the news of this track record across the country and thereby attract other important sophisticated research and development and technological industries to my riding.

There will be those who say: "Well, he really did not do anything. The government really did not do anything. This contract was announced awhile ago". But with the cost cutting, with the concern we have had on reduction, there has been this problem hanging over our heads that this contract was going to disappear. In fact the Minister of Transport, who is in the House, will know that this was scratched from the list as recently as August but put back on for which I am very grateful. Now we have it secured. That is tremendously important.

I also want to say to the Minister of Transport and the Minister of Finance and indeed to the government that our problems do not end in Cape Breton. There is the problem of what we are to do, how we are to employ those coming out of the steel plants and the mines having lost their jobs over the last number of years. We have an unemployment rate of about 30 per cent. It is really difficult. There are no easy answers and I recognize that.

I also want to say that twinning of highways is not an answer for Cape Breton. Going from Halifax to Sydney there is a good deal of traffic between Halifax and New Glasgow. Then after New Glasgow and Antigonish, the traffic reduces somewhat. It reduces even more getting to the Strait of Canso. Then when one gets to Cape Breton, the traffic is drastically reduced. When you get on to Cape Breton Island, not only is the traffic drastical-

ly reduced but there are two roads from the causeway to Sydney. There are twice the number of ways for you to get from the Strait of Canso to Sydney. We really do not need highways. But we do need help. We need help with infrastructure because unemployment and welfare has drained our municipalities something fierce.

We have had increased welfare costs in some of our communities of as much as 300 per cent. They cannot repair the infrastructure. They just cannot do it. The money is not there. Through the catch-22 situation that exists, we have to be able to upgrade our communities to make them attractive. Although we were starting to attract, hopefully, the nucleus of new technology, we want to have people who want to live in our communities. For that reason we do need a lot of help in that regard.

I am very pleased there is assistance for the parks in western Canada. Having travelled in western Canada, the national parks in that part of the country are absolutely gorgeous. They are a national treasure and should be upgraded and maintained. The federal government has said that federal roads and roadworks in western Canada's national parks will be upgraded and I think that is very important.

I would also say that on Cape Breton we have the Cape Breton Highlands National Park which needs some help because it is the flagship, so to speak, of the tourist industry on Cape Breton Island. Not only Cape Breton Island benefits but the whole province benefits because it brings tourists through the province to the park. With some seed money we can develop that park to benefit the whole province of Nova Scotia. As well, we can give much-needed jobs to people who are having a very difficult winter mainly because of the problems we had last year in our tourist industry and the problems we are enduring through the fishing industry on Cape Breton Island.

I would ask the government, and particularly the Minister of Finance, if he would please consider this.

I would say too that it is important when you take things away. People in Canada understand that at times you have to tighten your belt, you have to reduce the benefits sometimes and the incomes that have been forwarded and provided to the people of Canada. But it is very important at the same time to give the people an idea of where it is going to end, to develop a program that tells the people you are preparing to contribute to the reduction of your aspirations and benefits, but this will lead to a specific conclusion. We do not have that in this economic statement. We do not know where it is going to end.

The Minister of Finance mentioned that the net foreign debt is far higher for Canada than any other of the G-7 countries. He also said that Canadians paid more than $22 billion in interest last year to foreign lenders. These figures are alarming. The fact is that we have to be able to deal with that.

The Minister of Finance in his budget last year targeted the repatriation of foreign debt. I think it is very important for the Minister of Finance to tell us where we are going to go. His deficit expectations for this year were not met because the revenues were not as high as the government expected.

However, this question of foreign debt is vital, particularly when we are dependent upon the sale of our treasury bonds to be able to pay the interest on this debt as it occurs. So the treasury bonds are not being sold to Canadians; more and more they are being sold to foreigners, particularly to Americans, which is requiring us to keep our interest rates high to make those bonds attractive.

We also have to keep our dollar high so that we are not paying an increasing amount to foreign countries in currency exchange. I realize that. The fact of the matter is that we have to deal with it. The fact of the matter is that we have not dealt with it. People need to know, they have to be able to see where we are going. People do not want to see their benefits that they have worked so hard to obtain, the better standard of living we have, our health care programs, our increased allowance for pensions, eroded without any idea as to where it is going to end. That will only cause further dissatisfaction, further uncertainty, and a tremendous amount of fear. We have to know what the government's plans are for bringing this slide to a halt.

• (1920)

Certainly there may be fat in the system, but there are a lot of poor middle-income Canadians who do not have any fat to give to the government, that there is real need in this country which we cannot ignore. We cannot

continually take away from these people. We cannot take away from the regions.

Perhaps we can modify what we are going to give on a short-term basis. People have to know. If they do not know, then they cannot accept this. They just cannot see that it is ever going to end. They are going to see the work and the development over the last few years and the accumulated improvements in the standard of living gradually disappear at their expense.

That is not going to work, I am afraid, in areas of high unemployment where the government is not being forthcoming with a plan. We are going to have a great deal of dissension, a great deal of hardship and a great deal of unhappiness and lack of confidence in the system. I am afraid that we have to deal with this. We have to deal with the people in need. We have got to address where this country is going.

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, I was just talking to the Minister of Finance and I do not think that the members of my Mount Royal riding are going to be particularly happy, as I told him, with this budget.

I can only hope that the end result will in the long run somehow repair the dramatic damage that has been done to our country through the poor public policy and particularly the financial policies undertaken by this government.

As I stand here to speak for the constituents of Mount Royal, believe me it is not to applaud this government, but to address the failures as they have impacted on my own riding and the people who live there.

It is quite obvious that the new economic statement continues the faulty economic policies. Many of my constituents in Hampstead, Côte St. Luc, Snowdon, Côte des Neiges and the town of Mount Royal keep telling me that this government is simply out of touch with the real people and they have not addressed their concerns. There is nothing positive in a really constructive way in this budget that makes them feel comfortable and feel hopeful.

It does not matter what their background, what their economic status, the level of their education, their mother tongue, their country of origin, where they live in my riding, whether it is in a home, whether it is in an apartment and in the worst case some in the street, this government has ceased really to represent their needs and this budget simply confirms it.

I am talking about Mount Royal riding's population of 90,000 that includes a significant immigrant population from the world over: the Caribbean, East Africa, East Asia, Europe, the Middle East, eastern Europe, South America, from seniors who I am always proud to say make up over 20 per cent of my riding to single parent families, two parent families, the under employed to the unemployed, are all anxious for a more stable economic future, yet gained little hope from yesterday's declaration by the Conservative government.

Do not lose hope is my message to them. Do not lose your spirit. I know that you walk through the streets in my riding and you see all those empty store windows and all those endless for rent signs. We say that M. À Louer owns an awful lot of property in Mount Royal.

Thousands of jobs have been lost under the government's policies, particularly in textile, in clothing, in the food processing industry, in small business and in sales and services. When you add the youth job losses because of the cuts this government has brought in, particularly this past summer under the federal youth employment programs, the problem gets even worse.

Let us consider the Adjustment Training Program. I had a large number of young people who were quite excited about being admitted for re-education and training, if you would care to put it that way, but then the government reneged in the middle of all this and cut their opportunity at the third term, in mid-stream. Many of them have lost hope. I say to all of them, do not lose hope. I know that you have been very unhappy with the government. Obviously Tories do not know how to look at this world through proper glasses. They use those rose-coloured glasses that are not answering the needs.

I see in the community centres I visit, at the line-ups at the food banks, the images of the tremendous social needs out there. Children are going to school hungry, yes, in Mount Royal riding. People are living in dwellings that need upgrading. Our youth need training and skills. Again in yesterday's budget, this government has failed to be the compassionate and caring government it would like to pretend it is.

The story of poverty in my riding might shock some members of this House. Thousands of people live below the poverty line, from the working poor to those on social assistance, from the single mothers to the single elderly who rely on sponsored, in-home health care, meals on wheels and the food bank because their needs exceed their means. Yet they too receive little hope from the Prime Minister's trickle-down budget and the made-in-Canada recession. We have had the wrong policies at the wrong time. We have the GST and free trade instead of freer trade which would be good for all of us. It is not "any deal at any price" but a proper deal, a fair deal that we as Liberals have always believed in.

One could lose hope, but do not. Go out and help a neighbour. Go out and work as a volunteer. Do something. Do not get depressed because I know that it could be depressing when you know that Montreal is the capital urban city of the unemployed in Canada. I worry about the one in five unemployed. Perhaps now it might fall to one in four, although not yet I think, of our population who is without a job.

I worry for those who need better skills to find jobs. I share the concern of parents whose children have grown, become well-educated and yet still cannot find work. I worry about the 70 per cent of English speaking students who have said that they plan to leave upon graduation from college and university. I say, stay. You will find the way despite this government.

What do we get from the Conservatives? "Stay the course," they say. "Watch the deficit," they say. "We just cannot afford to help any more," they say. I say in response, we cannot afford not to help. Luckily the people in this riding are strong willed and still hold out hope with or without the care or help or caring of a national government.

Conditions in the riding and across the country prove that we need a change of course and yesterday's economic statement was really the last straw. This government has failed to meet the historic Canadian test of compassion, fairness, balance, putting people first, of giving Canadians the tools they need to win, the economic competition and simply giving hope.

I fear that we have become a country of little more than balance sheets and deficits as the only priorities. We simply cannot ignore the human debt and deficit in the name of financial debt and deficits, for doing so means we give up the social priorities that made us the great nation we are, that has made us different and has made us the envy of the world.

It is not too late to hold on to caring and compassion and, yes, competitive Canada. These are not mutually exclusive goals. In fact, they are inherently Canadian goals and they make sense for the country we wish to build, particularly when we hear the echo of that early Haida saying: "We have not inherited this land from our grandparents. We have simply borrowed it from our grandchildren".

In the last moments I would like to address the communications and cultural issues which are my responsibility in this House. Once again, Canada's arts and cultural community have felt the lash of the Tories. In their first economic statement in 1984 culture was cut by $122.5 million and in what we all hope is their last economic statement, there will be a further cut of $80 million over the next two years, this coming just two weeks after the sector suffered a 2 per cent blow to the tune of $11.8 million.

• (1930)

Let us for a moment look at this government's support to culture since 1984 when it took office. These numbers are based upon the government's own spending estimates. From 1984 to 1992 there has been a 24 per cent cut in direct and indirect federal cultural spending in real terms. This is a drastic, unconscionable cut, if we truly believe in nation building.

It is also interesting to compare the trends in cultural spending and the federal defence budget. Federal defence spending increased 38.6 per cent during the same period. The notion of a proud and independent Canada seems to have faded in the interest of the war games and war toys.

Culture is the very essence of our national identity and the bedrock of our national sovereignty and national pride. It gives meaning to the lives of every Canadian and enriches the country socially, politically and economically. It gives us pride in our country.

A cultural defence for Canada is what we need. As we look at what this government has done, as we look at the Auditor General's statement on some of the unnecessary spending that has gone on, I sincerely hope the government will stop and give priority where it counts, to people, to people and work, to people and the social world in which they live, and to people and the expres-

sion of culture, the ultimate expression of a country in this great world in which are privileged to live.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Madam Speaker, I am pleased to have an opportunity to enter into the debate and discussion tonight on the finance minister's mini budget yesterday.

There was certainly a great deal of hype and anticipation, as there always is around a statement that a finance minister is going to make. There was a great deal of that around this particular statement, given the current state of our economy and the general direction or lack of direction of the government. There was a great deal of anticipation about what the government was going to do. Some of that anticipation surrounded the thought that there would be a significant and large infrastructure program across the country. Even in the hour or two before the introduction of the mini statement there were some discussions and thought that the government would try to address and deal with the whole question of the goods and services tax and the impact it has had on the economy.

I would like to make a few points on the general situation we find ourselves in now and to concentrate ever so briefly on two areas of particular importance and interest to my constituents.

I want to congratulate my colleague, the member for Essex—Windsor, on the comments he made yesterday in his initial response to the Minister of Finance. He laid out pretty clearly some of the desperate straits this government has got us into.

When we take a look at some of the evidence and information we see the kind of challenge we have before us. We are talking about 11.3 per cent unemployment. A recent report came out saying that there are 3.8 million Canadians in poverty, the worst it has ever been. By the government's own statistics there are some 2.5 million people on welfare. There is 11 per cent unemployed.

There was discussion surrounding the inability of the government and the finance minister to predict accurately the budgetary situation in relation to what the deficit would be. According to previous estimates of the government, at one point the deficit for 1993–1994 would be $22.5 billion. Of course we now have the report that it is around $32.6 billion for next year. At one point it even suggested that in two years it would be down to $5 billion.

I find interesting the comments of some commentators on television. They seem to have forgotten many of the comments they and others made on the previous estimates of where the budget deficit would be. They seem to have forgotten and have quickly and easily rewritten history as far as the predictions of the government go.

I would like to move to two areas that were not included in the financial statement. The first point I want to pursue briefly is the question of the green plan which was discussed today in Question Period. I appreciated the honesty of the minister who responded when she said that the third cut to the green plan would be reviewed by cabinet. It would review some of the current programs under that plan to see the nature of the programs and how they would be operating in the near future.

There are three components of the green plan that I am particularly concerned about. First is the Fraser River Basin Management Plan in British Columbia where the Fraser River starts. It starts at one end of my riding nice and clean. When it turns south in Prince George it starts to get a little dirty.

Mrs. Browes: The plan will be saved.

Mr. Gardiner: The minister says that it will be saved. I hope she is as honest in the debate now as she was in Question Period when she says that the Fraser River plan will be saved.

Turning to the the other programs, maybe we will get the minister to respond as well. I am concerned about the Model Forest Plan and Tree Plan Canada. Let us hope the minister can give the same assurance. She is not doing that now. I am pleased about the Fraser River but we will hear—

Mrs. Browes: It is a very important program.

Mr. Gardiner: They are very important programs. I know we will hear from the government later. Let us hope they do not get the same treatment as some of the other programs have.

Most people have seen in the documents the minister brought forward some specific mention of a number of infrastructure programs in Atlantic Canada. Of course they are needed. There are some projects in national parks in British Columbia and Alberta—I think about Jasper near my riding and the Alaska Highway—that are needed.

The government has now had two years to take a look at a very important infrastructure program for northern British Columbia, the Yellowhead Highway Program, to upgrade and improve that particular highway. It was there before. It was cancelled by the former Social Credit government. The current government has not given us a great signal that it intends to proceed with that program.

Yesterday I wrote to the provincial minister, the member for Kamloops, the Hon. Art Charbonneau, and our federal transport minister to remind them of that program. It would be an excellent opportunity for us to improve the program. If I am not mistaken, the Yellowhead Highway goes through the riding of the Minister of Finance. I see him smiling. I would hope that means good luck for a Yellowhead program in the near future.

I have my Fraser River Program and I will get my Yellowhead Highway Program from the Minister of Finance tonight. However, I encourage the government to look at the program because it is important for northern British Columbia. I would strongly encourage the government and the minister to take a look at that particular highway because of its need. It is part of the national highways network. Of the $300 million that has been set aside for other initiatives with the provinces, I encourage this government to take a close look at that particular highway, to include it and to build in a program that would improve the Yellowhead Highway in some areas, bring it up to some standard. We are not talking about a lot of work.

I would like to conclude with those two comments on the importance of these programs. There is a need to protect the investment we have there and to suggest to the government that when it says it had some choices to make in this economic statement it was right. It made a number of wrong choices. It could have taken the opportunity to close some tax loopholes. It could have given Canadians an opportunity to have a consumer led recovery by scrapping the GST and bringing in a fair tax system.

Those are the kinds of messages I hope the government will listen to so that we can try to put Canada's economy back on the road again.

• (1940)

Hon. Ralph Ferguson (Lambton—Middlesex): Thank you, Madam Speaker, for the opportunity to speak tonight on this debate regarding the financial statement tabled in the House yesterday by the Minister of Finance which we should really refer to as a budget.

I am very concerned about various aspects of this budget, the fact that it zeros in on the people who can least afford it, the people who need help most. Certainly at this time of the year as we enter into the festive season, rather than giving a message of hope and inspiration it is ensuring us of increased and enduring hardship as we go into the new year. So much for a happy new year.

I could not help but notice in one of the documents yesterday an error that I think should be corrected because a lot of people may see it and take it to be fact. On page 66 of the document *Investing In Growth*, tabled December 2, 1992, it speaks about trade barriers within Canada and says "marketing boards, pricing and distribution of policies of provincially regulated marketing boards (pork products for example) can reduce interprovincial trade".

I am sure it is an oversight on the part of the minister. As a former Minister of Agriculture I am sure he is well aware that there are no interprovincial barriers to pork production. If there was to be a barrier to interprovincial movement it would have to be a federal barrier. The federal government, under the British North American Act, has jurisdiction over interprovincial trade and export trade. Only provincial governments can trade within the provinces. At the present time we do not have a national pork marketing agency. They are individual provincial marketing boards. Consequently that is an error. I draw it to the attention of the Minister of Finance. I am sure he will want to correct that statement.

I also want to point out that I am deeply alarmed by the cuts that took place in Agriculture Canada's budget. As I look at the chart that we have from the National Council of Welfare, property rates by occupation, 1990, it shows that in the heads of families the second highest is in farming, fishing and forestry. Here we have very little

if any help for those industries except the 10 per cent investment tax credit made available to them. Of what use is that to the fisheries industry at the present time with the cutbacks it has had to face? How many farmers, with the incomes they have had, can use that tax credit?

I am very disturbed because farm income has utterly failed to keep pace with the Canadian average family income. About three years ago the government started referring to farm family income that included the wages of a spouse who was teaching school or nursing or if the husband was off driving a truck to supplement the farm income.

While that total family farm income for 1990 was $37,958, $21,251 of that came from sources that are not connected to the farm, such as the off-farm income I referred to. To go further than that, it left them a net of a little over $15,000 coming from the actual farm operation. Of that $8,091 came from government subsidies, either federal or provincial, but they were combined. That left a net figure of $7,615 coming from the farming operation itself. That is a national disgrace. It cannot continue. If these trends continue Canadian agriculture as we know it today will be completely destroyed.

There are some other things I want to touch on here. I am not an economist but common sense tells me as we look at what has been happening over the last 10 years. Our merchandise trade over the last 10 years has dropped from $17.6 billion in 1982 to $7.3 billion in 1992. The merchandise trade surplus has dropped by over $10 billion in those 10 years.

I also want to point out the current account deficit in Canada has gone from a surplus position in that same period of over $2 billion a year in 1982 to a deficit of $26.7 billion in 1991. That is money flowing out of Canada in either interest payments, dividends or as we heard today in Question Period, through loopholes in the tax system.

Canada cannot afford such haemorrhaging. We have done nothing to stop it and it is getting worse each year. As that continues to get worse then of course we are going to face increased hardships and further attacks on the unemployed and those people in society who can least afford it.

I am deeply concerned because one of our prominent economists, Arthur Donar argues that for each $20 billion in current account deficit, 500,000 jobs are lost and the government is allowing that to happen.

One very large food distribution and retailing firm operating in western Canada sent $538.7 million in dividends out of this country in 1990 to its parent company in the U.S. It borrowed over $400 million to do that. Guess who is going to pay back the amount in excess of $400 million? It is going to be the Canadian consumers and that money has gone out of Canada. Those dividends are part of that current account deficit. This sort of thing has to be arrested.

I am further disturbed about the closures of food processing plants. I will give you the Ontario figures first. From 1989 to 1992 a lot of plants closed. In the province of Ontario alone there were 59 closures. We keep a close check on what has been happening across Canada and some of these figures are available from Agriculture Canada, Statistics Canada, the Department of Labour as well as press reports. We find there have been over 100 closures.

As those plants close, Canadian producers lose a marketing alternative. When they lose those alternatives, we have to import those products. In that regard it adds to our current account deficit.

I am disturbed the government did not include some facts and figures on the current account deficit in the financial statement given yesterday. That is vitally important to this nation if we are going to continue to prosper and keep this social safety network that has served this country so well for so many years.

This country is built on the understanding of the needs of those less fortunate. It is built on the principle of care and compassion for the less fortunate. There has to be a dramatic turn around in policy or else there will be a lot of needy people here in Canada who are even worse off than they are now.

I am deeply concerned also about what is happening in other countries in terms of the concentration in the food production processing industry.

• (1950)

I have some facts here which come out of the sociology department of the University of Missouri. They point out that in the United States four firms control 69 per cent of the beef processing. Four firms control the same percentage of beef cattle feed lots.

I could go on and on because I have the firms listed here. The same firms are involved in production and processing. As those firms move to Canada in a big way, they will continue to erode and destroy the food producing and processing sectors in Canada.

I am deeply concerned. I do not often speak in this House on such issues as we have at the present time. I am really disturbed about this budget that was brought down. It is going to impact so viciously on so many people who can least afford it.

Mr. René Soetens (Ontario): Madam Speaker, I rise with pleasure to participate in this debate today. I want to start off by saying to the minister of revenue I cannot give him three cheers for the particular statement he gave in the House yesterday, but I will give him two and one-half for sure. I will explain slightly why I would not give him the other half although he was certainly going in the right direction.

There are a lot of very good things in this budget. I want to compliment the minister on the fact that during this whole process as he was preparing for this particular statement, he listened, asked for and received advice from numerous people including your humble servant who is now speaking.

I am happy to say some of the things I recommended to the minister as being very appropriate to include in this statement are in fact there. They were not just hair-brained ideas I came up with to give to the minister.

In fact during the summer recess when we were back in our ridings I certainly took advantage of the opportunity to meet with numerous business people. I met with a group in conjunction with a meeting organized by the mayor of Whitby, the Durham Regional Manufacturer's Association, the Whitby Chamber of Commerce and the Whitby Junior Jaycees.

We came together with several vice-presidents of banks, I might add, to talk about the financing problems that exist for small businesses. In that meeting the issue was raised that the Small Businesses Loans Act existed, but it was there for people who wanted to invest in such things as new equipment. They appreciated the minister raised the amount from $100,000 to $200,000, but they were concerned it could not be used to assist them in their cash flow requirements on a daily basis.

I am happy to report in the minister's statement there is a clear indication there may be some assistance in those areas which were requested by the business community, the people who create jobs in the town of Whitby, the town of Ajax and the town of Pickering. I think that is a very positive step and I congratulate the minister for it.

Again, it was not my idea. It was an idea brought to me by the business community I met with during the summer. I thank the minister for that.

But he went a little further because there are businesses that are very successful and are experiencing good economic activity. They want to buy some new equipment. Not only has he improved the financing opportunity for that equipment, he has improved the tax credits for them to be able to afford to buy that equipment. That creates jobs. That equipment is manufactured in whole or in part in many areas of Canada and that creates economic activity everywhere.

There are some other things I was asked to deal with by the people I met. Unemployment insurance was of concern, not only to the business community but to my constituents who were on unemployment insurance and wanted to find jobs. Unlike some stories, I do believe and most of my constituents indicate, they want jobs. They do not want to sit at home and collect unemployment insurance. They do not want to sit at home and collect welfare. They want to find jobs.

The minister has put some very positive things in here. The first is for those businesses that want to hire the people who are on unemployment insurance. They do not face an increase in premiums because they are hiring some people. My riding has many small businesses. The minister, with full credit to him, has said to these small businesses: "We will not charge you more in the way of unemployment insurance premiums if you hire new people and get them working for you". That is very positive.

On the other side many of my small business people have said when they do hire somebody they work their 20 or 22 weeks and then for whatever reason they can come up with they quit. They say they invest all this time, money and effort in training these people and lo and behold they qualify for unemployment insurance, they get their 20 weeks and quit. I can tell you the small business community has commented to me about that.

As a member of Parliament who represents one of the largest ridings in Canada, I can tell you many of my constituents tell me they are tired of these people who quit their jobs and go on unemployment insurance because they think they are entitled to it.

I want to congratulate the minister for that very bold step of telling people if they have jobs not to quit just to go on unemployment insurance because they are not going to get it. I congratulate the minister fully on that particular step.

I also congratulate the minister on another very appropriate step that relates to the unemployment insurance scheme. My constituents have faced very difficult times in the last few years and will not be getting salary increases. In fact many of them, if not most of them, are working for less money now than two or three years ago. But lo and behold if you go on unemployment insurance you are going to get an automatic raise in April of some 3 per cent or whatever.

I congratulate the minister for telling those on unemployment insurance they are not getting a raise next year. He did not say their unemployment benefits would be cut. He said they would not be raised. The raise that would have taken place next year of some 3 per cent is being cancelled. I congratulate the minister for that.

I also congratulate the minister for the salary freeze. You do not often like to admit these things but I was one of those who in fact encouraged it to happen. I encouraged it to happen in the Public Service and throughout the various government corporations that are affected. I encouraged it to happen for senators and I know that will just cause them to have another reason to have their thoughts about me. I also encouraged it to happen for members of Parliament.

I would have liked a raise, but I have 185,000 constituents and many of them are not getting raises. I think it is about time we in this collective Chamber decide we have to live within the means. Someday in the future when this Parliament and our budget systems in Canada are much more in line with the economic realities, maybe we can afford to give members of Parliament a raise. A two year freeze on MPs' salaries and all those others affected certainly does not bother me in the least. I can tell you I was one of those who recommended this and I have no hesitation in supporting that particular activity.

I think the minister was very wise in his statement relating to the infrastructure problem. We have unemployed people across Canada, there is no doubt about that. One of the easiest and quickest things we can do to get some people back to work is to put some money into building roads, bridges, highways and all those kinds of things.

First, they are very locally oriented so if you are going to build a bridge in Ajax, the construction workers of Ajax are probably going to be working on it. Across Canada, construction workers probably have one of the highest rates of unemployment. Lo and behold the Minister of Finance in his economic statement has said the government is going to put some money into infrastructure development.

It will be good for Atlantic Canada. It will be good for western Canada with highways through the national parks. It will be good for southern Ontario because money is going to be put into level crossings at railroads where a safety factor often has to be addressed. Those are very high concentrations of employment creation and I commend the minister for making those steps.

I also commend the minister for his commitment to getting on with the job of building the fixed link to Prince Edward Island. As someone from Ontario, you might question why I would even care about that. Those kinds of projects are important to the over-all structure of Canada. There is the whole highway aspect of eastern Canada and the maritimes. Part of the problem in this country is you must have the transportation systems in place to have economic activity. You have to make it possible for people and business to locate in regions of Canada and yet get to other parts of Canada. It is a very good economic decision.

I travelled extensively throughout the United States in my previous career. I was always amazed at how easy it was to get into some very rural parts of the United States. There would be large industries and maybe one industry towns. Manufacturing industries were located there for many reasons. One of them was the transportation systems were in place to allow industry to get its products to market. The best thing we can do for the maritimes and other regions of Canada is put in place a transportation system to allow industry to locate there without having to get a government grant. Government grants to locate industry are not the best thing.

• (2000)

I talked about some of the other things. I am really running short of time. I like the cuts in grants to organizations of 10 per cent across the board. However, this is where I miss out on my half a per cent. I had some in mind that I recommended should be cut totally and I am sorry they were not; the National Action Committee on the Status of Women, the Canadian Labour Congress and some business groups that get grants. There is a whole bunch I would like to cut off totally. Recognizing them may be difficult to do.

In very short order, I just want to put the minister on notice that I will be back for his February or March budget telling him about the groups I am ready to cut. I will also be back to tell him how I think we ought to adjust the MPs' pension plan and finally and certainly not least of all, I will be telling him how I think we have to address the deficit even further than we have already done.

I give the minister a good mark for effort on this. I cannot quite give him three cheers. However, it is probably one of the best statements I have heard the minister give and I give him full marks for that.

Mrs. Ethel Blondin–Andrew (Western Arctic): Madam Speaker, I am happy to have this opportunity to speak about the economic situation in the north and generally in Canada.

Canadians in every region of this country have suffered in this recession, northern Canadians included. In fact, northerners must cope with additional economic difficulties due to their geographic location from the main economic corridors of the country. As a result, the cost of living in the north is 60 per cent higher than in the south. Major transportation routes and infrastructures remain basically incomplete.

A serious housing shortage threatens many northern communities. There is, I believe, a backlog of 3,500 units. The number of housing units, as has been announced, has been cut in half. This is something that is intolerable and unacceptable with the kinds of conditions northerners live in.

A lack of financial support threatens important aboriginal programs and organizations such as Indigenous Survival International, the fur industry defence program. There was no announcement for a commitment to those particular efforts that are much needed by the traditional harvesters of Canada.

With regard to public infrastructure, the NWT highway development, yesterday's economic statement outlined the government's commitment to undertake regional infrastructure projects to strengthen our national transportation system and communications network. Improving transportation in the north is crucial. Transportation is essentially the lifeline of the north due to the vast distances and the isolation which exists between communities. Transportation costs in the NWT are the highest in Canada. Economic development in the north cannot proceed without proper roads.

Never mind roads, if we lose Canadian Airlines as one of our carriers in the Northwest Territories, we will have a monopoly that will drive prices to a rate that would be intolerable and I think unconstitutional and unfair to people in the region who essentially will not have any other choice. They do not have a highway system.

The GNWT has identified the need of $3 billion for development. The government leader, Nellie Cournoyea, has raised this issue with federal leaders at various meetings. I believe this was an issue that was profiled at the economic meetings among the premiers of the country. New roads are the constitutional and legal responsibility of the federal government. It has to be noted that only existing roads were transferred to the Northwest Territories, not any new initiatives.

I guess gone is the dream of Roads to Resources that Mr. Diefenbaker implemented. That certainly is not a Tory goal at this stage of the game.

The Kitikmeot region in the NWT is very mineral rich but cannot develop without a transportation network. The Mackenzie Valley highway extension from Fort Wrigley to Inuvik is 804 kilometres and will cost $500 million. This is something that northerners have supported. I put forward a petition to the House just recently about this.

GNWT cannot afford to build any new roads without the federal government contribution. While the government will spend approximately $5.25 million in the 1993-94 fiscal year, the needs are great and the north simply cannot be developed without transportation infrastructure. There is a great need in the north for new roads and ports, but $3 billion is needed and so is the initiative of the federal government where the responsibility lies squarely.

Yesterday's economic statement outlines that federal roads and roadworks in western Canada's national parks will be upgraded. We as westerners from the north, of course, assume that this includes the Wood Buffalo National Park, one of the outstanding parks in the world. Wood Buffalo National Park is one of Canada's most precious prizes in terms of parks.

The superintendent of Wood Buffalo National Park has announced that the park can no longer operate the winter road between Fort Chipewyan, Alberta, and Fort Smith, Northwest Territories. We need to extricate a definite commitment from the Minister of the Environment and the Minister of Finance that this indeed includes the initiative that was announced yesterday. The amount that they are asking for is a meagre $76,000 to keep these communities connected by a winter road. The 130 kilometre winter road provides winter-only access between Fort Smith, a population of 2,500, and Fort Chipewyan, a population of 1,300.

This other community outside of my riding borders the community of the hon. member for Athabasca. He also has an interest in seeing that this particular goal is achieved.

The road is open for four months a year approximately. This is the only means of access and transportation link between the isolated communities during winter months. The average cost to operate the road for four months is $60,000. I said $76,000; it is $60,000.

Clearly, as far as developing regional infrastructure projects, the federal government must consider a permanent road through Wood Buffalo National Park and a policy funding initiative whereby the cost of maintaining and continuing the Fort Smith winter road would be guaranteed, possibly through cost-sharing initiatives split between the province, territories and federal government.

Another issue that came up yesterday was that there would be an improvement in the airports in the north. The federal government has different levels of airports for which it has maintained support. The federal government must provide the desperately needed funding that would enable the GNWT to meet the existing needs and requirements for the improvements and upgrading of a number of community airports in the Northwest Territories in light of the fact that northern residents rely upon air transportation more than any other means of transportation. This critical and basic need is also an issue of safety.

The responsibility that the federal government had for the grassroots community is no longer there. It has transferred that responsibility to the GNWT. Those communities have real need. If no further resources are going to be allocated to the government of the Northwest Territories, we are not going to be able to deal with these specific needs.

I can think specifically off the top of my head of two instances where safety is an issue. In the community of Fort Franklin we had a very major accident in the last 15 years. We did not have the requirements met and there was an accident which resulted in the loss of life. The community is very concerned in that the airport runway is situated so that aeroplanes fly right over a schoolyard so the community wants the airport relocated.

In the community of Trout Lake, Northwest Territories, which is also a priority listed under the GNWT's airport plan, the community experiences severe cross-winds, extremely dangerous because it is not a sometimes thing. It is a constant problem for people going in and out of that community.

Regarding the home buyers plan and the Northwest Territories housing needs, the Minister of Finance said the RRSP program for first time home buyers would be extended for one more year. This is good news. Unfortunately, there are virtually no private housing markets

outside of Yellowknife. This means a lack of affordable housing alternatives in most communities.

The federal government's decision to reduce the NWT housing budget will mean 200 fewer low-cost shared social housing units which will be built in the Northwest Territories in 1993. This comes at a time when the need for housing in the Northwest Territories has risen by 14 per cent over the last two years, in spite of the GNWT providing 800 units during this two year period. The NWT housing unit needs are unique. Severe climate isolated communities make construction and maintenance of housing unit costs five times higher than in the south. A higher percentage of residents in the north rely on social housing assistance as compared to the south.

• (2010)

The federal Department of Indian and Northern Affairs and Development does not contribute funding specifically for native housing in the NWT as it does in other jurisdictions. The birth rate in the Northwest Territories is more than twice the national average.

The federal reductions will have a definite impact: increased numbers of families in need of housing assistance, overcrowding and inadequate conditions will increase social and health-related problems, and loss of construction and other jobs in the private sector. The government needs to reinstate social housing funding to the NWT to the 1991 level. This is being recommended to the aboriginal affairs committee in the housing study they are doing. Hopefully we will be able to get some redress there.

Program cuts are of particular interest to natives and interest groups. I really resent the way in which interest groups or advocacy groups are being labelled by the government.

I might end by quoting one of the people who has written to me on this particular issue. What has happened over the last couple of years is that advocacy groups are being referred to in a very negative way. They pick up where the government has left off and I think that they do very good work.

I would like to quote one of the people from my riding who has indicated to me concern about the kind of situation that will be created by the reduction. Lynn Brooks with the NWT status of women has indicated the situation for women and children living in some of the northern communities is virtually explosive. In order to help and to have resources available, there needs to be funding. Women, children and seniors always fall at the bottom of this list.

In closing, I have to say that these cuts are very detrimental to the other community programs that we have, specifically the friendship centres. The Tree of Peace Friendship Centre in the Northwest Territories which offers very important programs like kindergarten, adult education, native outreach, drug and alcohol abuse programs and a camp for children in the summer is very important to our community. It cannot endure this 10 per cent cut.

Mr. David D. Stupich (Nanaimo—Cowichan): Madam Speaker, Bill C-98, Borrowing Authority Act 1992-93, No. 2. The statement of the minister yesterday in speaking on this bill of course was an admission of failure. The minister kept talking about what the deficit is going to be this year, what it is going to be next year and the year after. For four years I have heard ministers of finance tell us quite confidently what the deficit is going to be five years from now and then estimate what it will be this year and perhaps next year.

Madam Speaker, I am sure you have had occasion in your career, or in your home life at least, to have used a funnel. There is a small hole at one end and a big hole at the other. As you pour material into the large hole, you can direct the flow through the small hole. Everything works out fine as long as you do it that way.

But, Madam Speaker, it would not occur to you to turn the funnel upside down and do it the other way around, trying to pour something into the wrong end of the funnel. That is what the Minister of Finance has been doing in trying to get the economy going. He is trying to pour the medicine into the wrong end of the funnel. In the process of doing that, of course a lot of it is being wasted. It misses the small hole and as it comes out the large hole, it is spread around and does not do any good.

The process has failed for two years now. This is not the first time they have tried it. Each time we get a new budget or a statement such as we had yesterday, the minister is trying to deal with the problem by going backward, pouring the medicine through the small hole

and letting it come out the large hole and losing the effect.

Other members have talked about 1.5 million people unemployed in this country. They have talked about 2.5 million on social welfare, a total of four million people. That is a serious problem. It is very serious for the people involved. The talk so far has been about them and the harm this is causing them and what they are doing without.

There is another way of looking at those people. They are all potential customers. They all want to purchase something but they do not have the wherewithal to purchase it. What does the government do? The government says: "We will help small businesses produce more stuff. We are going to give them breaks on their depreciation allowance so that they can claim more depreciation for small businesses". This is the case after it was introduced in the budget this spring.

That will not help small businesses. It will not help them if they cannot produce anything and they cannot produce if they cannot sell. They cannot sell if there are not customers out there wanting to buy and able to buy, with the wherewithal to buy. That is the problem.

The government is going to increase the loan limit. What is the point in saying to the prospective borrower and to the lender that if this business person can produce financial statements that show that he or she can produce at a profit, and that unless they can do that the bank is not going to lend any money at whatever rate or whatever limit? If that business person could come to the prospective lender and say: "Here are my projections. I know that this business is out there waiting to buy if I produce this item. Will you lend to me knowing that I can make a profit on selling these items", then that prospective borrower has a much better chance of getting that loan.

What the government should be doing, instead of taking away from the unemployed and taking away from the people who do not have money, is giving the money directly to them, pouring the medicine through the small end of the funnel rather than through the large end, directing it to the people who need it most.

The Minister of Finance has been listening to a lot of advice since we started this debate at about 3.15 yesterday afternoon until midnight last night and probably until midnight again tonight. I have some sympathy for him. He is listening to a bunch of his own members tell him what a great job he has done, and he is listening to opposition members tell him what a terrible job he has done and, as I did, to say that it is an admission of failure when he comes in with the statement he made yesterday.

I am not sure if he would not like to consider for one moment what I have been talking about, which is that he should work it the other way around: put the money where the prospective customers are and make the purchasing power available to the four million people who are on social welfare and who are unemployed. Then small business will have the opportunity that it needs to expand.

That will create employment. That will get the economy going. As for giving the money directly to the small business people, if they are already making a profit, so be it, they will get a little more. If they are not making a profit it is not going to help them. They are not going to be able to borrow. They are not going to be able to do anything. It might slow down the time it takes them to go bankrupt as businesses are doing at a great rate in this country.

There is a way. It is not new. There is nothing new about it at all. This government has not tried it. There should be more money spent on education. The government has cut back on the money going to the provinces to help them with their educational programs. The government did not produce the training programs that were promised as part of the free trade deal. There are things like that that could and should be done that would get things moving in Canada.

More than anything else the thing that the government can do right now that would be most impressive would be to put money in the hands of the people that we know would spend it in Canada on goods that are being produced in Canada, not on goods that are being imported, especially with the dollar going down. That is good. That means that people are going to be buying more Canadian produce and more Canadian articles because it is more expensive to buy the imports. It helps us sell in outside markets.

Interest is something that does have to be paid. To the extent that it is interest on borrowed money we have to export to be able to pay that interest.

• (2020)

To the extent that it is interest paid on money borrowed within Canada then that is simply redistributing income within Canada, shifting the income within Canada. That is not as serious a problem.

That advice was given by a finance minister in the province of British Columbia in the early 1940s, incidentally another Tory, the hon. Herbert Anscomb. He said: "A government should never borrow but in the event that it has to borrow in bad times to maintain its public service then it should never borrow externally. It should do its borrowing internally".

That, too, is not new. We did that during the war, and we prospered. We borrowed internally because there was nowhere else to borrow. Everybody was busy doing their own thing. Everybody was busy expanding their own industries in their own countries. We borrowed it all internally. We piled up a tremendous debt during the war doing that, and we paid it off afterwards because we kept the money circulating within Canada. It is only when we started borrowing from abroad that we started to run into trouble.

However, the immediate answer for now is simply to put this money where it will do the most good. Instead of giving it to people and saying: "Go out and hire somebody, it does not matter what you do, just hire somebody", and then not being able to police it anyway, instead of giving them increased depreciation allowances that will let them write off their taxes faster put the money in the hands of the unemployed, put the money in the hands of the people who are on social welfare, and they will create a genuine business boom that will start the economy of Canada moving again.

We have gone down the wrong road. We have cut back on education and cut back on training. We are giving money to companies. I have no real quarrel with taxing corporations or not taxing them. As a matter of fact, I would be inclined to look at the Carter report again if I really wanted to get things going. Carter went so far as to recommend no corporation tax but said to make sure that we get it from the individuals who are profiting from the business activities of those corporations. Of course, that would mean a total change in the tax structure and I do not recommend doing that all in one fell swoop. That is something that would have to be done gradually.

To return to what I was talking about, the funnel analogy, put the medicine in the right end of the funnel, let it spread around and let it be picked up by people who would benefit from it and who would then benefit the whole economy by spending that money within the economy.

Mr. Jesse Flis (Parkdale—High Park): Madam Speaker, I am very pleased to enter the debate on this economic statement presented by the former Minister of Transport with whom I had a lot of memorable days and years when he was the critic for transport and I was a parliamentary secretary. He says those days are over. Yes, but I thought he had learned something over the years and judging from his economic statement he has not learned very much.

My constituents of Parkdale—High Park are pleased to hear that the home buyers' plan, which we had recommended for the last two years now, has been extended by one year. However the problem in my riding is that most of them cannot afford to buy a home right now and therefore the real estate economy is down. Even if some of my constituents of Parkdale—High Park could afford a home they may not buy one for fear of losing their job in this new economic order cooked up by this Conservative government.

If people lose their jobs under this new regime they may no longer qualify for unemployment insurance. This is the kind of thing that makes the blood boil in most Canadians. It creates a national anger that is growing and spreading across this land. I have never seen such frustration, such anger as we have in our country right now.

For those who have paid UI premiums for years the safety net has now been removed. If they are fired or if they leave their job voluntarily they no longer qualify for UI benefits. Tell me, how many Canadians does this government intend to force onto the welfare rolls? How many women have been forced to leave their jobs because of sexual harassment? Without at least the UI option this government simply expects women to grin and bear it. The Minister of Employment and Immigration rose in the House today and provided no reassurance to women. The minister's only response was: "Trust me". Canadians are through trusting this government,

especially this Minister of Employment and Immigration and the last two finance ministers.

My daughter, who is in her second year of university, did for one of her projects a study of projections made by finance ministers over the last eight years. She was horrified. She came to me and said: "Dad, those ministers lied". I said: "No, no, Elaine, we do not use that word. That is not parliamentary". However, this young Canadian starting university was shocked that she cannot trust the finance ministers who are setting the economy for this country.

This government told Canadians that the first priority was jobs, jobs, jobs. Instead, what do we have? Higher taxes, taxes, taxes. The reality of the situation is that the national unemployment rate is 11.3 per cent. In metro Toronto the unemployment rate is a full percentage point higher than the national average, 12.3 per cent. Toronto and Montreal were cities of opportunities. I remember people from Saskatchewan and Manitoba coming to Toronto, people from Newfoundland and Prince Edward Island coming to Montreal or Toronto to find jobs because that is where the jobs were. Now the people from Toronto, people from my riding, are looking to go to other provinces, but there are no jobs there either. For young people aged 18 to 24 that rate may be as high as 23 per cent.

My constituency office is becoming an employment office. It is very sad to see students with masters degrees and Ph.D.s begging: "Mr. Flis, can you help us find a job?" They are that desperate. People who were self-employed, architects and project managers in engineering who have worked for 15 or 20 years, are now coming embarrassed to their member of Parliament saying: "Mr. Flis, maybe through your contacts you can help me find a job". They are too embarrassed to go on the welfare rolls. They are too embarrassed to go on the UI rolls, but they are forced to do this. How can the minister look Canadians straight in the eye and say: "Trust me"? No one trusts this government any more.

Let us look at the small business employment and investment package. It says that the ceiling for loans to small firms under the Small Businesses Loans Act will be increased to $250,000. That sounds great but the problem is that the banks are not willing to invest in small firms during this recession. Twice nothing is still nothing.

Small business people come to my office and explain to me that they have a payroll to meet, they have to pay income tax to Revenue Canada, and because of a low cash flow they cannot pay it that month. Revenue Canada penalizes them 20 per cent. Representatives from one firm came to me owing $80,000 to Revenue Canada, and Revenue Canada is insisting that this be paid immediately. The firm is saying: "If we pay this $80,000 we go bankrupt. We employ 10 people. If Revenue Canada would forego this penalty the firm agrees to pay the interest but if Revenue Canada could forgive the penalty for at least the duration of the recession then I could maybe survive".

Representatives from another business came to me owing Revenue Canada $40,000. They said: "Mr. Flis, it means going under. If we are forced to pay this, it means going under". I did refer them to Revenue Canada because I understand that there is a plan to help small businesses that are being threatened with bankruptcy to somehow negotiate with Revenue Canada to save these businesses. Mr. Minister, this is a good plan but why are you not advertising it? Why do not more small businesses that are going bankrupt know about this? To announce that the small business loan has increased to $250,000 does not mean a darn thing because they go to the bank and they cannot get $40,000.

• (2030)

They cannot get a $50,000 loan. They are kicked in the rear by Revenue Canada and they are kicked from the front by the banks.

Instead of the banks being good corporate citizens, what they are doing is deteriorating the state of the economy of this country. Together with Revenue Canada and the banks, the small entrepreneurs, the businesses, are not getting much help today.

No one has confidence in this government any more. The money lenders do not have confidence. Entrepreneurs do not have confidence. Consumers do not have confidence—nobody; as the Russians would say, *nada*.

Look at the deficit fighting program of this government. It represents a litany of unrealistic and failed promises in the billions. Where cost savings have been realized, the government takes a bow. These savings are usually at the expense of the provinces which in turn must pass along the burden to the municipalities. My leader pointed out in his debate that he met with the mayor of Montreal. The mayor is very concerned how the city cannot bear carrying the welfare payments for the unemployed.

I happened to be on a Liberal task force crossing Ontario. We talked to the chairman of metropolitan Toronto, Alan Tonks. He has the same concern. The people are exhausting their UI benefits. They are forced to go on the welfare rolls and the big and smaller cities cannot afford the tab.

The minister stands up here and says look what a great job we are doing because we are cutting back. It makes the federal government look good but who ends up picking up the tab? Provinces are not picking up the tab. The poor municipalities end up picking up the tab. They end up becoming the fall guy.

This government professes that governments should be run on the same principles as business in the private sector. If that is so, the Minister of Finance would have been fired a long time ago. He did a better job in transport. I recommend that he go back there.

What if the minister then tries to apply for UI benefits? He would soon find out that he is not eligible for benefits through his own misconduct.

Let us look at the record of financial management of this government, this so-called deficit fighting government. In 1984 the national debt stood at $170 billion. By the end of this fiscal year it is $420 billion. When we turned over the reins at $170 billion, we at least borrowed money in Canada from pension plans and so on. This government, no. It is the big shot. It went on the foreign markets. No wonder we have a $420 billion public debt. No wonder we are in the mess that we are in.

I know my time is up, I will close. I am pleased the Minister of Finance is sitting here. I hope that he will listen to the people of Parkdale—High Park. I am just their servant. I am their spokesman but I say to the minister times are tough across Canada.

[*Translation*]

Mr. Fernand Jourdenais (La Prairie): Madam Speaker, I welcome this opportunity to participate in the debate following the recent economic statement made by the Minister of Finance. He gave us a good description of our economic future and of how we will reach our goals.

We will continue to follow sound monetary and fiscal policies. We will continue to increase the efficiency of the public sector. We will continue to open our markets while improving our productivity and our competitiveness in order to meet the competition challenge. We will invest more in our human resources and in our infrastructure in partnership with Canadians and other jurisdictions in order to promote growth.

Many Canadians, including my colleagues opposite, have trouble dealing with the globalization phenomenon which started in the 1990s. Some would have liked things to remain the way they were and Canadians to have a false sense of security thanks to an imaginary protection against the outside world.

Mr. Speaker, we must still face contemporary economic realities. We can no longer live turned in on ourselves and looking towards the past. We must have a forward-looking vision. The last thing we want is for the Canadian economy to fall into a permanent slump. The new initiatives and maintenance of the policies announced by the minister will help us enter the 21st century on the right foot.

I do not pretend for a moment that the changes and restructuring that we have gone through and continue to undergo have been easy for anyone, including the federal government.

Nevertheless, since 1984 we have pursued an economic program to give all Canadians a more secure future with better economic opportunities and we now see the result of it. For example, Canada has the lowest inflation rate among the seven largest industrial countries, the G-7, namely 1.4 per cent this year. Productivity growth is now 2.6 per cent and our trade efforts abroad are starting to give results. Canada's merchandise balance of trade, a key to reducing the current account deficit, is up nearly $2 billion over last year.

Consumer confidence is being restored. Employment has started to grow, domestic demand has strengthened and real exports are rising. The improvements are slight but undeniable. But that is not enough. Our economy is slow to come out of the recent recession. One of the

factors holding us back is the low growth in all the G-7 countries, our trading partners. They have the same problems we do.

In his statement on Canada's economic future the Minister of Finance reiterated and strengthened the government's commitment to continue working to expand our markets. The importance of permanently expanding our trade potential internationally was a highlight of the statement. I would like to spend a few minutes on this subject.

International trade is vital for the Canadian economy. Canada depends more on foreign trade than any of the G-7 countries except Germany. You see, Mr. Speaker, the Canadian market is relatively small. If we want Canadians to keep the standard of living to which they are accustomed we need international trade.

Canada exports more than a quarter of its domestic production and one job in four depends on our country's exports. Exports create jobs and help companies reduce their production costs, while imports offer consumers a wide choice of low-priced goods and services.

One way to stimulate foreign trade is to improve access to markets through clear and equitable trade rules. Trade barriers hurt Canada much more than they hurt nations with a large domestic market and our country is also more vulnerable to trade instability. These problems can only be solved by negotiating trade agreements. The trade agreements offer new opportunities to businesses that want to be competitive worldwide by improving their products and lowering their costs. The agreements also provide dispute settlement mechanisms which make trade relations surer and more stable.

Since foreign trade is so important to maintaining and improving our welfare, Canada has been a leader in the effort to liberalize world trade since the end of the Second World War.

As part of a two-pronged trade liberalization strategy, Canada has worked for freer international trade through the General Agreement on Tariffs and Trade, GATT, and free trade agreements with its regional partners.

As a result of successive GATT negotiations, customs duties on our imports have been reduced and our access to foreign markets has improved. For example, Canadian import duties have fallen from over 10 per cent in 1955 to less than 4 per cent in 1990.

On Wednesday, the minister reiterated that the government will work to bring the Uruguay round negotiations to a conclusion. The success of these negotiations would have a major impact on Canada and the rest of the world and would avoid an escalation in costly trade conflicts.

Canada has also concluded regional trade agreements in accordance with GATT rules. The first important agreement was the auto pact with the United States in 1965.

• (2040)

The 1989 Canada-U.S. free trade agreement falls directly in line with this strategy. In spite of the recent recession FTA has had positive results. Canada has markedly increased the volume and the balance of its trade with the United States since the introduction of FTA. Under the agreement, tariff and non-tariff barriers have been lowered and a dispute settlement mechanism put in place, giving us a more stable access to our biggest export market.

Canadian exports to the United States are up $16 billion since the free trade agreement. Also, FTA has attracted more investments to Canada. Foreign investments in the manufacturing sector increased from $1.3 billion in 1989 to $3.1 billion in 1991.

Investments are just as important as foreign trade to ensure economic prosperity. They increase productivity and allow for the creation of more highly paid jobs requiring higher skills. FTA has made Canada more attractive to foreign investors.

The North American free trade agreement is another step in the ongoing strategy followed by Canada to liberalize exchanges. The minister spoke of our commitment to ratify NAFTA.

The North American free trade zone will be the largest in the world with a population of 361 million and a gross domestic product of $7 billion.

Thanks to NAFTA, Canada has made major gains which will improve our economic future and open new opportunities to Canadian businesses.

NAFTA will give us better access to an ever increasing Mexican market. It will protect and improve important FTA gains. Finally, it will protect Canadian interests on the American market and will make Canada more attractive to foreign investors. If Canada had stayed out of NAFTA negotiations, the United States would have been the main winners since they would have been the only country to have privileged access to both the Mexican and the Canadian markets.

By staying the course on trade liberalization through NAFTA, Canada will improve its competitiveness, create new jobs and stimulate economic growth.

Trade liberalization will increase Canada's competitiveness and its ability to ensure a high standard of living for its citizens. Competitiveness and a high standard of living will mean more jobs, better security and increased prosperity for every Canadian, which is one of the main goals of the government.

Therefore, I urge all the members of this House to support these initiatives.

[*English*]

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Madam Speaker, it was interesting last week. I had a constituent visit and we were talking about the monetary and fiscal policies of the government and at that time my constituent, Dale MacLean from Penticton, British Columbia, presented me with a tie and he asked me to wear that tie in the House tonight to point out the Mickey Mouse policies of this government.

He talked about the three frontbenchers, Huey, Dewey and Louie sitting there forming the policies of this government and how he felt that the government was in fantasy land because it simply did not face realities.

When I looked at what was in the particular economic and fiscal statement of the minister there were two things that occurred to me that fit the theme of this beautiful tie that he presented me with. One was that with Christmas coming it appeared that Scrooge McDuck had something to say about this. With taking away the 3 per cent from the unemployed, putting the rest of the economic situation on to the provinces, the government was not acting very well prior to Christmas, and that the Minister of Finance was acting like Scrooge. I thought that was a rather Goofy policy.

Looking at what the media has said since, I was listening to a number of speeches today by members of the government who were quoting *The Financial Times* and others. I got a number of clippings from various newspapers. One dates back to November 24 in the *Edmonton Journal* in the Minister of Finance's own back yard of Vegreville. It was interesting because the headline was "Mulroney's Tories run out of gas". In one of the paragraphs it states: "A mini-budget from finance minister Don Mazankowski is unlikely to make a big difference. The bottom line is this: Brian Mulroney has had eight years to create the jobs and prosperity he promised in 1984 and he has failed". How prophetic.

We can look at a number of others. In *The Globe and Mail*, Jeffrey Simpson states: "Finance Minister Don Mazankowski's economic statement yesterday displayed all the hallmarks of a government running on an intellectual fuel tank marked empty". He goes on to say further: "By its non-choice, it revealed itself to be tired by the exertions of the past seven years, timid in the face of increasingly painful choices, and too far along in its mandate to make the bold policy choices the country's economic and fiscal problems require".

In *The Ottawa Citizen* it states that the economic statement is too little, too late, too Tory. It says that instead of broad bold policies "Canadians get Reaganism in aspic".

Hugh Winsor in the December 3 *The Globe and Mail* states:

> Tories could have done something about the rapidly accumulating debt in 1987 and 1988 when the economy was on the boil. Instead, they gave everybody a pre-election income tax rebate while pushing up spending in politically sensitive areas.
>
> In their zeal to slay the inflation dragon after winning the 1988 election, they also killed off hope and economic confidence, which is why yesterday's statement is such a confused effort.
>
> When in doubt, tinker, and yesterday's statement did a lot of that.

The *Ottawa Sun* headline says: "Snow clouds?" The article said: "If there is snow on the ground this morning, was finance minister Don Mazankowski responsible?" Further on it states: "The reason some snow jobs work after all is that details are often covered up by whatever has fallen from the sky—the hows and the wherefroms being obscured by the wish to believe that there will finally be some magical solution to ease their burden".

It appears that the finance minister aimed and he shot, but he missed the mark. He did not have anything new to tell us. He went through the same old Reagan economics, the same old Thatcherite economics and he fell well short.

It is unfortunate in the aftermath of the policies set out by this government that there are 1.6 million unemployed and that the poverty rate has increased substantially.

Looking at the Christmas season and what we have to look forward to in Okanagan—Similkameen—Merritt and the Boundary country, I spoke to a number of food banks over the last few days.

In the small community of Merritt, 60 people, 40 per cent of whom are children and 10 per cent employed use the food banks in Merritt. The Boundary country unfortunately does not have enough food for all of the people lining up at the food banks. In Penticton they get 180 people per month and over 40 per cent of those are children. In Oliver, British Columbia, a community of some 4,500 to 5,000 people, 100 people a month line up, 40 per cent of whom are children.

Nationally, there are 1.2 million Canadian kids living in poverty. In 1990 it was estimated there were 3.8 million Canadians living in poverty, an increase of 12 per cent over 1989. Over the year we know that poverty statement has increased. Half of these are considered working poor.

• (2050)

The Canadian Association of Food Banks says there were two million people including 700,000 children who visited a food bank at least once in 1991.

If we look at what has happened with the income tax situation we know and the figures show that the average Canadian family will pay $1,894 more now than what they did in 1984 when this government came into power.

We have pedalled backward instead of moving forward. We have already had a number of people come up and make their speeches and suggest a number of alternatives.

It is important in looking at what is happening in Canada to emphasize the position that when food banks were created in 1981 they were created as a temporary solution to the problem of hunger in our country and in our society. Now there are over 400 of those food banks in Canada and they have so many people lining up that they cannot feed them all.

We look at the situation with seniors. We know once again that so many of our seniors live below the poverty line. Of those seniors, a majority of them are single women.

I looked at the financial statement from the perspectives of British Columbia, western Canada, and Okanagan—Similkameen—Merritt and the Boundary country. I wondered what was in there that was going to help the people in those areas.

I looked at it from the perspective of seniors. Well, luckily guaranteed income supplement and old age pension were not touched. But the government cut across the board 10 per cent on grants. If the New Horizons grants are cut 10 per cent I will say that in my riding and I am certain in many of the ridings across Canada, those grants have become a necessary part of increasing the education of seniors, increasing seniors helping seniors, wellness programs, increasing the availability of hospice programs, it goes on and on with respect to seniors and I hate to see those cut.

If we look at it from the perspective of the young, I am concerned about some of the cuts in unemployment insurance. We have the situation where we have cut back the mobility of some of these young people who move from job to job but need some time within which to move. They quit and they move on. These are not people who abuse the system. They are people who are trying to do better things. So they quit a $5.50 an hour job, look around and maybe move on to a $7 an hour job. They have been substantially injured in the ability to do that by the cutbacks.

There are so many things in this statement that we could talk about. Agriculture has been cut back. I end by simply saying that the monetary policies of this government have not been cured by this. The fiscal policies have not been cured. The unemployment rate runs

rampant. People are hurting out there. We have not created those jobs.

Madam Speaker, this is a Mickey Mouse government with a Mickey Mouse policy.

[*Translation*]

Mr. Marcel R. Tremblay (Parliamentary Secretary to Minister of State (Fitness and Amateur Sport) and Minister of State (Youth) and Deputy Leader of the Government in the House of Commons): Madam Speaker, I appreciate the opportunity to participate in this important debate on the Canadian economy and the future course of our economic policy.

We are looking at investing in economic policies designed to increase and permanently establish prosperity for all Canadians. To achieve this our government suggests that we should improve our productivity if we are to compete on the global market which is becoming increasingly competitive at the turn of the century and beyond.

One of our main priorities is to encourage increased productivity in Canada. This is absolutely necessary if we are to meet the challenge of an increasingly competitive global economy.

This increased productivity will provide a broader scope of options for all Canadians. It will improve our standard of living by making real wages higher and allowing us to buy more goods and services, while having more time at our disposal for leisure and hobbies.

In other words, by working smarter and more efficiently, we will raise our standard of living and our quality of life across the country.

Unfortunately, Canada's productivity performance has deteriorated since the late 1970s. Many people believe our productivity has gone down because of rising inflation, uncertainty about public policy and government intervention in the economy. Whatever the reason, the fact is that the slowing down of total factor productivity since the 1970s is reflected in weaker growth of labour productivity and real wages.

This drop in productivity growth must be reversed. To achieve this, we must invest more in technologies, physical capital and human resources. However, this will only occur if the economic environment is favourable to productivity-enhancing investment. This requires macroeconomic stability as reflected in low inflation, fiscal prudence and appropriate fiscal policies that expand the opportunities for people to work, invest and innovate.

Madam Speaker, this is exactly the kind of economic climate our government has tried to put in place since it came to power. However, changes of the kind we had to bring about cannot be achieved overnight. The world recession has also postponed many of the positive spinoffs that would now be felt if the world economy were in better shape. However, the International Monetary Fund and the Organization for Economic Co-operation and Development are of the opinion that next year Canada will experience the strongest rate of economic growth of any industrialized country. I think that the best way the government can help improve productivity in this country is to stay the course.

For instance we must continue to cut public spending. We have legislated annual spending ceilings through the Spending Control Act. We must also continue to privatize Crown corporations, restructure federal activities and keep public service wage settlements in line. The economic and financial statement presented by the Minister of Finance reinforces the government's commitment to spending restrictions. Thanks to the measures announced by the minister, spending will be cut by nearly $8 billion over the next two fiscal years.

Spending cutbacks allow us to pursue our efforts to reduce borrowing requirements, and, together with a sound monetary policy, have made it possible to keep inflation and interest rates at levels that support instead of undermining productive investment. In fact, I am proud to say that Canada had the lowest rate of inflation, an average of 1.5 per cent over the first ten months of 1992, of all G-7 countries.

Low inflation protects people's purchasing power and reduces capital costs for business. It also leads to lower interest rates. In spite of recent increases, the lower interest rates since 1990 have helped stimulate productive investments and made Canadian goods and services more affordable on both the domestic and the foreign market.

The government must also continue to invest in structural policies that will help productive investments recover. For example, we must realize that we need a skilled labour force to increase our international com-

petitiveness and our productivity. That is why we have invested in human resources by redirecting unemployment insurance from passive income support to active skills acquisition. That is why spending on worker training and adjustment has increased from $1.2 billion to $3.5 billion in the past two years. That is also why the Minister of Finance announced more aid in his economic and fiscal statement.

We have also invested in economic growth by reforming Canada's tax system. In particular we eliminated the manufacturers' sales tax which cost Canadians jobs and replaced it with the goods and services tax. The GST makes an important contribution to our international competitiveness by reducing the tax included in Canadian exports. Since it came into effect Canadian exporters have saved over $3.5 billion.

• (2100)

To achieve economic prosperity we must continue to invest in the small business sector which is the primary engine of employment growth in this country. Today, thanks to special tax provisions, small businesses enjoy assistance totalling $3 billion annually.

The Minister of Finance has proposed a small business employment and investment package to help small businesses and create new jobs. The measures announced by the minister include capping the employer share of unemployment insurance premiums for one year, a one-year investment tax credit for small businesses and an extension of the Small Business Financing Program.

We must continue to invest actively in research and development. R and D is essential in developing new products and processes which are the key to success and growth in a global economy.

Since we came to power we have introduced the most generous tax incentives for R and D of any major industrialized country. For instance the February budget provided for additional assistance totalling $230 million over five years to support Canadian companies undertaking research and development.

Furthermore, in his economic statement the Minister of Finance announced changes to allow the tax rules to better reflect how R and D is actually performed in the business community. We must continue to invest in broadening trade opportunities. As the global economy becomes increasingly competitive, countries and companies that try to ignore this fact will see their share of world trade deteriorate and their economies decline.

That is why we are doing our best to bring about a positive conclusion to the Uruguay round, the series of multilateral trade talks held under the GATT. We are trying to improve our trade relations with east Asian countries, including Korea, Thailand and Singapore.

In 1988 we negotiated and successfully implemented the free trade agreement with the United States, our most important trading partner.

Madam Speaker, as you know the FTA has paid off. Since it came into effect our exports to the United States have increased by more than $16 billion. This represents about 200,000 jobs. The FTA also gave us the power to review any measures taken by the United States including countervail and anti-dumping, while providing for an open process in which arbitrators fairly selected by both parties are able to quash decisions that are unfair.

The North American free trade agreement is a logical extension of the FTA. There is a very real potential for growth in sales of Canadian products and services to Mexico. It is also a fact that the United States plan to enter into some kind of free trade agreement with Mexico, with or without the participation of Canada.

If we had not been at the negotiating table any increase in trade with and international investment in Mexico would have gone to the United States.

In concluding, perhaps I may recapitulate. Further improving our standard of living will require strengthening the rate of productivity growth in this country. What the government can and must do is invest in macroeconomic stability and appropriate structural policies that expand the opportunities for people to work, invest and innovate.

That is what the government has done and will keep on doing.

[*English*]

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Madam Speaker, I have sat in the House all day and listened to presentations from both sides of the House

and different parties. I have been amazed by the different approaches that we have had.

As I sat here, as I am sure the Minister of Finance has done for some time, I have really tried to reflect on why we got ourselves into the position that we are in today. What I hear from the other side of the House—and I really do not believe that it believes this—is that it blames it on a policy that happened eight years ago, going on to nine years now, that it was left with a massive debt by the Liberal Party.

I really don't think it does believe that. It is certainly more than that. I think to put in perspective what we are looking at today and the mini budget that came out yesterday, we really need to look at why in the name of the Lord we are where we are today.

There are a number of things that happened. In the last eight and a half years I reckon that about five of them have been reasonably good years, kind of boomish. There has been an opportunity to create jobs and to reduce government spending, the things that the government is trying to do right now. When it takes eight years to get into the rather difficult situation the government has found itself in, it is very difficult to be able with a stroke of a pen and with one budget and perhaps one more main one to go before the next election to really want a policy that is counter to something that has taken eight years to achieve and have it disappear in a short time.

I will grant that the Minister of Finance had very little manoeuvring room. In that sense I would commiserate with him to try and produce a policy that was acceptable to his colleagues and the country, including the opposition.

However, in those eight and half years, and I will use that term even though it is a little less, government spending increased an average of about 4 per cent a year and that was higher than inflation. That was not a good move to begin with. I believe it could have done something about it.

The second thing, the interest payments on the debt, which now represent 26 per cent of all government expenditure, were growing at 9 per cent a year. When you have 9 per cent a year, the interest on the deficit and the national debt and government program spending increasing by 4 per cent a year, it is very difficult to be able to do anything to change it. This has gone on essentially on average for the last 8 years.

There are other things that have caused us to have little manoeuvring room. The finance minister's projections have been off. I have made projections in my lifetime and it is very difficult with the world situation for the projections beyond plus or minus 10 per cent or 15 per cent. However, the projections have been very far off and I am sure the minister is embarrassed that they are so far off.

He gets advice from his colleagues and I am sure there is a desire to make it look good for each budget, but we are now at the ninth budget, I believe, and we are hearing the same stories and we are seeing the same projects that essentially leave us with the same deficit we had 8 years ago. A lot of Canadians have trouble understanding that.

On top of the other things that I mentioned, the growth in government spending and the 9 per cent increase on financing the debt, in that period of time there have been 32 tax increases which make it very difficult for the government now to use taxing measures to help it get out of this funny situation that it is in, this disastrous situation that it is in.

The deficit is about $34.5 billion. The government will be taking $122.2 billion and will be spending $156.7 billion. I may be out by $.1 billion. However, when I look at where the revenue comes from, the $122.2 billion, I see a large percentage of that being paid by the middle class. Fifty per cent alone of that comes from income tax. We all know in this House that income tax falls mostly on the middle class.

Twelve per cent on top of that 50 per cent comes from the GST. We know that the GST falls more heavily on the middle class because it spends proportionately more on consumer products. Thirteen per cent comes from the UI contributions of which more than half are paid by the middle class. Seven per cent comes from what are called in the finance department others, made up of cigarettes, alcohol and gas tax, again falling on the middle class.

I do not have to use much imagination nor be accused of exaggeration to say that when I add all this up I am looking at about 75 per cent to 85 per cent falling very

much on the middle class. Corporation tax accounts for 8 per cent on the figures produced a couple of days ago.

It was not too long ago that instead of being 8 per cent and 50 per cent, without the GST which makes it 8 per cent and 62 per cent, it was more along the lines of maybe 20 per cent and 30 per cent. I am going back a few years before this government took power, but certainly in 1984 the ratio was much different. The middle class paid less income tax as individuals and corporations paid a lot more.

• (2110)

The situation is that the government has found itself in a position where it cannot manoeuvre, so what does it do? I tend not to expect good projections, but I did have expectations as to what was going to happen. I was in my riding last night when I heard what the minister's measures were and I really honestly believed that I had missed something. It was not until this morning when I saw some of the national newspapers that I realized unfortunately I had not missed anything.

On the main point that concerns me in my riding—and I have heard practically every second speaker today speak on it—I have seen something happen that I never really thought would happen, even with this government. With the choice and with the difficult areas of high unemployment, a staggering deficit and a staggering national debt, there were choices. But the choices that were made in my opinion and in the opinion essentially of most people on this side of the House was that neither one thing nor another was done. With unemployment being the main problem as I see it right now—it certainly is in my riding and in my province—instead of doing something for those who were unemployed they were hit. There were measures that could have been taken to stimulate the economy, infrastructure being one of them that we have been advocating for the last 12 months.

Essentially I believe what the finance minister did was look at the unemployment problem through the wrong end of the telescope and penalize those who need help the most. As one of the members said here today, it was like a doctor trying to diagnose a disease and when he could not find the problem he killed the patient.

I still believe that this was not meant to happen because it is an incredible policy. Whether it is called staying the course, whether it is called a sick budget—I do not care what it is called—this has to be a record decision by a government to do something good at a time when the economy is in rough shape. I know my phone has not stopped ringing today. I have heard other members say as well that they have been inundated with phone calls.

Another aspect of this which bothers me is one that many of my colleagues spoke on today. It is the idea of cutting off unemployment insurance for those who voluntarily quit their jobs. I will be honest. I will tell the finance minister that I can understand him having difficulties finding money for those people who just decide they want to quit and collect unemployment insurance. I can understand cutting them off unemployment insurance. One could argue for that policy. But for people who quit their jobs or feel they are in an untenable position and have to leave their jobs because of things like sexual harassment and uncomfortable working conditions that border on sexual harassment, I think we need to look at this policy again. I believe it particularly discriminates against women, but there are people of the other sex who could be in a similar situation.

Unfortunately I do not give many points for the measures that were taken. The $8 billion expenditure reduction from the government was surely only meant for the international markets because most of the money we owe is owed to foreigners, certainly I believe more than 50 per cent. With that $8 billion, as the minister knows, there is no saving this year. That is for future years, for future governments. If the Liberals form the government we will have to do something about that. I am not impressed with that aspect.

To conclude, it has been to me and many of my colleagues a disappointing mini budget. I am sure the finance minister is disappointed too because I have not seen one media clipping that said a lot of good things or had anything good to say about this particular statement.

[*Translation*]

Mr. Eugène Bellemare (Carleton—Gloucester): Madam Speaker, I greatly appreciate the opportunity to be able to comment on the mini budget presented by the Minister of Finance. I must add that I am flattered that

the Minister of Finance is here this evening to listen to my speech. I find that he has a lot of patience and I would like him to pay some attention to the comments I will make.

Like everyone else, I know very well that this budget is his Christmas card to Canadians. A few days before Christmas, he is saying to all Canadians: Merry Christmas, Merry Christmas to all. Merry Christmas and *Joyeux Noël* to the public servants and Merry Christmas to Canada's unemployed. Again he attacks public servants.

Two years ago public servants went on strike, the first big strike of public servants. It was a disaster for service to Canadians and a disaster for public servants themselves who pleaded with the government for fair treatment. Later, the federal government passed the new Public Service Act, Bill C-26, where it turned management of the public service inside out. In November it cut 2 per cent from the public service budget, resulting in cuts in service to the public.

I find it quite wrong for an employer to mistreat its own employees constantly. Without saying so, it is also mistreating all Canadians, because public servants are there to help the general public. Public servants check to see whether food is spoiled or not. They control airport traffic. They inspect health products, pharmaceuticals, the transportation industry and just about every imaginable industry in Canada in order to protect us. They enforce the laws that protect the general public and they are being treated badly. Ironically, many public servants collect taxes. I find it quite ridiculous for the government to show such contempt for its employees. They were told a year ago that they would have no salary increase for one year and 3 per cent for each of the next two years. Now the Minister of Finance has changed his mind; it is no longer 0-3-3 but 0-0-0. That is his way of wishing his own employees merry Christmas a few days before the holidays. Merry Christmas to those who are there to help the general public, to help the unemployed, to those who look after immigration and customs. That is unfair.

Another big injustice is that instead of attacking unemployment, the government is attacking the unemployed. We know that the Unemployment Insurance Act was amended last year. Before, there was a partnership. The Government of Canada contributed a third and employees and employers each contributed a third. The government managed to unload its contribution of one third and put all the responsibility for unemployment insurance premiums on employees and employers. It said that was the right way to go. All of a sudden we see in the budget that the minister is cutting benefits for the newly unemployed from 60 to 57 per cent. The unemployed should be given a hand, not a kick. At present there are 1.5 million unemployed Canadians who receive unemployment benefits. We often forget to say that another 2.3 million Canadians are on welfare. This means that 3.8 million adults are out of work. Not to mention the low wage earners, those who do have a job but are paid peanuts. All they can get are short term minimum wage jobs. You find mostly women in those jobs. More often than not these single parents who have to provide for a family with their menial jobs are the ones hardest hit. Jobs must be created because jobs are the mainspring of the economy, our livelihood. Let us not repeat the mistake the government made in 1988-89 with the free trade agreement.

• (2120)

[*English*]

The free trade agreement was supposed to create jobs. It did not create jobs. It was supposed to help us in exporting our goods. It did not help us in exporting goods. Instead of exporting goods, it has been exporting jobs.

We are supposed to be helping small business. The government says that it is going to encourage the banks to raise the ceiling from $100,000 to $250,000 on loans for small businesses. If you are an MP, owners of small businesses are coming to your office constantly to see you. As we all know there are in Canada 932,396 small businesses and they create 80 per cent of the jobs.

Eighty-one per cent of these small businesses have less than 50 employees. They are the organizations that create jobs. These same people will tell MPs that they cannot get loans. The banks are nervous. These same people cannot borrow on their investment. They cannot borrow on the investment of their business. They have to put up their own personal home for loans. That is a catastrophe.

What is the government doing to help small industry? I know the government is doing a great deal for big business and the super rich but what it is doing for the middle class, the upper middle class? Absolutely nothing. It is trampling the smaller people.

What is it doing at the Department of National Defence, for example. Were there any cuts there? I did not see any cuts but it is certainly spending billions and billions of dollars for helicopters. One wonders if they are really essential at this particular time. Should we not give these purchases a second look if we are going to make savings? Why not look at that type of project?

We have not created jobs through infrastructure. The municipalities need to renew, to fix their infrastructure. Things are breaking up. Everything is going badly. Our leader at the beginning of the year made some very valid suggestions on how we could help out the economy.

[*Translation*]

For instance he suggested a partnership between the federal, provincial and municipal governments for urban infrastructure projects.

Last summer, I had the opportunity to attend a convention of the Federation of Canadian Municipalities.

[*English*]

The members of the federation came and asked and begged the Minister of Transport to help out, to ask the federal government to help out in an infrastructure program and they would become partners. I was astounded when publicly, in front of the whole crowd, he refused to participate in this partnership.

Where is the partnership?

For four years I have been sitting on the public accounts committee. If this government wants to save money it can save tens of millions of dollars. It should read the reports from the public accounts committee. It should read the annual reports of the Auditor General. That is a must. There is waste to the point that we know the RCMP is investigating the botched job that has been done in computer purchases.

Mr. Len Taylor (The Battlefords—Meadow Lake): Madam Speaker, I rise tonight to speak in response to the Minister of Finance's mini budget of December 2 and in response to the government bill before us tonight, Bill C-98, requesting further borrowing authority.

These are troubled times. These are times when few Canadians feel optimistic about their future, when few Canadians feel secure in their lives, when few Canadians express confidence and trust in their government.

These are troubled times because the economy is unable to support the population. Ours is an economy that allows 11 per cent or more of our people to be unemployed. Ours is an economy that keeps 2.5 million people on welfare, that forces farmers and small business owners into bankruptcy, allows in just three years one in six of our manufacturing jobs to disappear.

Ours is not a healthy economy and the job of the finance minister and of the government is to provide leadership that will keep people working, that will create jobs for those who are not, and will build a capable and confident economic base on which to secure a reasonable quality of life, accessible to most residents of Canada.

However, the finance minister and the Conservative government have clearly failed just as they have failed since they were first elected in 1984. In my province, Saskatchewan, we clearly see the mistakes of this government. The agricultural economy has never been worse. The Saskatchewan Wheat Pool is projecting a shortfall of $800 million this year. The problem is a combination of many things, but they are compounded by this year's drought, frost and snow which has succeeded in reducing crop yields in some cases to absolutely zero.

If ever there was a time for federal government support to the agricultural community, this is it. Three weeks ago the Canada Grains Council reported that Canadian wheat farmers lost $2.5 billion U.S. to U.S. government export policies between 1985 and 1990. In a late October report the wheat pool reported that Saskatchewan farmers have each lost a total of $109,220 over the last nine years because of the international grain war.

We have been behind the eight-ball for years but we have never seen anything like what is happening out there now. In my own area where there were approximately 5,000 crops planted this year the crop insurance

office has taken in about 3,500 claims. This will not be a year that farmers will soon forget.

In response to the farm community's plea for support, the Minister of Agriculture last week said no. He said the government's finances were worse than those of the farmers. Yesterday the Minister of Finance brought out a mini budget which showed an increase in the year's projected deficit from $22 billion to $34 billion. Despite cuts and decreases in spending, this government's policies continue to expand the debt. The Saskatchewan farm community says it does not like to see this federal debt growing. Indeed, every farmer on the prairies has a piece of a growing national debt of their own, a farm debt that has built to $24 billion.

These are the most difficult times that farmers and their communities have faced. If it is this government's policy, as it is mine, to keep prairie farms producing and to keep farmers on the land, then this is clearly not the year to abandon them.

If it is the government's intention to drive the deficit up further, as the Minister of Finance said yesterday, then the farm community of western Canada must have a piece of it. At least then we will have something to show for our efforts. We will have farmers farming and we will have a more stable economic base in rural communities, where we continue to rely heavily on the health of the farm economy for survival.

At present the federal deficit is rising but we have nothing to show for it except higher unemployment, more bankruptcies, more people on welfare and long line-ups at the food banks.

• (2130)

We have been through this before in Saskatchewan. From 1982 to 1991 the Conservative Party governed our province with cutbacks in government programs, increases in taxes and the privatization of revenue generating Crown corporations. In the end we were left with no increase in the quality of life, nothing to show for the activity and a huge deficit that will take years to handle adequately.

If it is a Conservative Party policy to run up huge deficits without leaving anything behind then I want none of it. At least when farmers, small business owners or home owners incur a debt they have a tractor, a building or a house to show for it when it is done.

It is time for this government to show some real leadership on farm and rural issues, take the bull by the horns, so to speak, and develop a long-term policy for agriculture that takes into account revenue and yield shortfalls. It is time to have a full-fledged serious debate in this Chamber about the future of agriculture in Canada.

This means we have to throw out the Gross Revenue Insurance Program, GRIP to us on the prairies, and start over. GRIP is clearly an inadequate program with administrative hassles, headaches and costs that do not have to be there. We need a program that looks at incomes. We need a program that takes into account the cost of production on the farm. Both these matters have been put on the table for discussion by New Democrats for years.

It is time the federal government got serious. It is time the federal government took its responsibilities seriously, recognized that this is a matter of federal jurisdiction, and acted in the interests of western Canada and therefore in the long-term interests of all of Canada.

In response to the minister's mini budget, delegates attending the Saskatchewan Wheat Pool meeting today passed the following motion that I would like to read into the record:

> THAT the federal government immediately address the crisis economic situation facing Saskatchewan agriculture in the following ways:
>
> a) stop downloading their responsibilities upon the province and farmers
>
> b) provide third line of defence funding
>
> c) cancel their plans of changes to the WGTA and their planned reductions in the Crow benefit amount of $726 million as outlined in the *Economic and Fiscal Statement* of December 2.

That motion was carried by 100 per cent of the delegates at the convention today, and I agree 100 per cent with them.

Financing disaster shortfalls has always been a federal government responsibility. Any farmer who had to participate in and endure the drought program of three years ago knows full well that Ottawa was responsible for that mess no matter how essential the revenue was for farmers.

We also know that the federal government promised farmers who were not interested in joining the most recent farm income programs, GRIP and NISA, that they would be excluded from other programs if they did not join. Farmers were promised the third line of defence by the federal government so they joined the GRIP and NISA programs. And now when they need it the most there is no third line of defence payment. This is truly unfair.

We in Saskatchewan know that we have 40 per cent of the farms and 4 per cent of the population. We cannot solve the agricultural crisis on our own. We can no longer accept any more federal government offloading of its debt or its responsibilities on to the backs of the provincial government and the producers of the province.

The Minister of Finance was recently Minister of Agriculture. He knows the seriousness of the crisis on the prairies. Therefore, if he will not act today, we can only assume that he does not want to act. He does not need to be told how a loss of another 10,000 farmers from the land in western Canada will affect our communities and our economy.

He knows investment in the industry during its most troubling, most distressing times can be a life saver. He knows the value of agriculture to the health of the entire country. Frankly I am disturbed he did not take this opportunity to secure the future of this essential industry in the past two days.

Obviously the challenge of the next federal government will be to get this country working again and that includes establishing a viable and productive farm sector. I am looking forward to the upcoming federal election when all Canadians can debate the national economy and individual Canadians like those in the farm communities that I represent and others across the west can hold this government accountable for its lack of action on these and other issues.

There is an alternative economic vision in this country and New Democrats are proud that our alternative strategy includes a long-term plan for agricultural producers and Canadians in rural communities everywhere. Things have to change in Canada, and if this government will not change them then Canadians have no choice but to change the government.

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, I am happy for a chance to speak on Bill C-98, authority to borrow money, because this financial statement, this mini budget by the Deputy Prime Minister and Minister of Finance, is the clearest example of wrong-headedness that I have seen in my 11 years in Parliament.

For eight years this government has been talking about making Canada prosperous by raising taxes on the majority of Canadians, people employed by others, people self-employed or the jobless. It is giving the surplus in tax breaks to employers and owners of capital.

What are the results? In eight years this government has taken Canada to 1.5 million jobless. That is not counting the ones that it does not count. We know there is at least a million more, probably a million and a half more, who are either discouraged from working or working much too short a time to make a living because there is nothing else for them to do. But on the official figures, this government has just taken us back to where we were 10 or 11 years ago.

The only difference is that most of the factories where several hundred thousand jobs have been lost are closed and the machinery has been sold and nobody is going back there to work, ever.

This government has also doubled or more than doubled the federal government's national debt. It may satisfy some that there are wealthy Tory supporters who grow richer as owners of a good part of that debt, but they are making most Canadians poorer and this government pretends to care about most Canadians.

Let us look at the finance minister's statement. In table 1, the expenditure reduction, the first to be cut is the people at the bottom of the ladder, the jobless. Instead of 60 per cent of their UI benefits, they will get 57 per cent and the government will save $1.5 billion on that in two and a quarter years.

Then there are the quits or the fired. They can argue as to whether they had reason to quit or whether the employer had reason to fire them, but they have to argue without anything to eat. It is going to be hard. The government will save almost $2.5 billion on those during these two and a quarter years.

Then there will be cuts in science and technology. Those are mostly salaries.

There are cuts in the native program, some of the poorest people in the country, perhaps in some ways poorer than the urban jobless, a $160 million cut.

Grants, international assistance, $642 million cut in these two and a quarter years.

Canadian regional subsidies, industrial subsidies, transportation subsidies, cut $523 million. Again that means cuts primarily on people employed by others, self-employed or some of the very smallest employers.

The green plan, the third cut in two years, $172 million.

Agriculture, we have just heard from my colleague from Saskatchewan what is happening to the farmers. We know that 20,000 farm families have lost their farms in the last five years and their income was down this year 30 per cent. But the government will cut $80 million from their support grants.

Culture, a good many struggling artists and authors such as those in Trinity—Spadina, the cuts there are $80 million.

Defence, there is a cut of nearly a billion over these three years, but that is only in the operating account. There are no cuts in the capital account. We will come to that.

• (2140)

The departments generally will partly reduce service to the public and partly steal the wage raise that this government contracted to give to the employees as one of the terms of settlement of its union dispute and settlement of the strike. All in all, the governments says it will save $7.815 billion in the next two and a quarter years.

What will the government do with it? It plans to spend a little over $2 billion on what it calls investing in growth. Who will it invest it in? Small business employment, investment program, unemployment insurance relief program for new jobs. About $.5 billion will be spent by this government paying the unemployment insurance premiums that small business employers will not have to pay for new business start-ups or for new employees. The employees will pay but the owners will not.

Temporary small business investment tax credit, small business financing program, changes to the Small Businesses Loans Act and incentives for investments, investing in prosperity, future initiatives and so on, assistance to small oil and gas companies, tariff reductions, about $400 million, which is not very much. I do not begrudge it to small business, provided the workers are being treated equally and fairly. It is small even to the small business community, which has the highest rate of bankruptcy that we have known in Canada.

There are program measures, infrastructure. Half a billion over two and a quarter years will build a few roads and bridges and so on. It will make a few contractors wealthy and it will pay a few wages.

Sectoral training initiatives total about $80 million over those two years and developmental uses plan, $600 million, which is a total of $2.2 billion, a long way short of the $7.8 billion that they are cutting mainly, as I said, from people on wages, on salaries or on no wage, no salary but less unemployment insurance or perhaps no unemployment insurance and perhaps no welfare, considering how the government is cutting its share of the welfare contributions.

What is it doing? Is it lowering the deficit? We have got this strange situation where just last February the government predicted that at the end of this year the deficit would be $27.5 billion, reduced. Now it is going to be $34 billion. Next year, instead of $22 billion it will be $32 billion, $10 billion higher. Why, when the expenditures are cut mainly from the lowest workers, is the government falling short?

It is because its trickle-down theory does not work. Taking it from the poorest, pouring it into the top, so that a little wee bit comes back to the poorest some day, is not working. Money taken from the poorest means they buy less food, less clothing, less housing. They spend less on everything. The stores go broke, the factories close, the service industries go broke, the unemployed cannot pay much taxes and the government loses its revenue. That is where it is losing because of its own stupid trickle-down policies.

The money given to the owners of capital is supposed to make jobs. That is the fairy tale we have been hearing. It does not do it, clearly, or we would not have reverted to 1.5 million officially unemployed. Some of it goes offshore to tax shelters and tax loopholes. Some of it goes to high return overseas investments, but does not make jobs in Canada. Some of it goes to land speculation, boosting the price of housing and industry and commerce in Toronto and cities like that. Some of it goes to expensive military equipment. We have all heard about the Pentagon's $400 hammers and $500 toilet

seats. It is not quite so high in Canada but it is still very high.

What should we do instead? Instead of those cuts we should be cutting $1 billion from the tax loopholes that the Auditor General identified in the offshore tax havens.

We should be cutting the billion dollars from unjustified capital gains tax; not from farmers, home owners or small business, but from people earning more than $100,000 a year who do not need that. We could cut a billion dollars from the entertainment tax credit. We could perhaps cut $4 billion from interest deduction loopholes and $2 billion from defence, not from operating but from the capital, from those helicopters, frigates and the low-level air defence system that we do not need because the Russians are not coming. Probably around $4 billion could be cut by lowering the interest rates by 3 per cent instead of jacking them up in order to make the United States government happy by reducing Canadian imports to the United States.

With that we could pay down some of the deficit. We could also pay decent unemployment insurance, welfare and training allowances instead of asking women to go to training when they have no money for car fare and no money for child care.

We could let manufacturing grow again for the domestic market instead of forcing people to buy imports. We could let the retail sales and the service industries grow again. We could let the jobless get jobs which they want. Government would even get its taxes and would be able to balance its budget.

It would have to do things in a completely different way than what it has been doing for the last eight years. It is high time it either exercised some common sense or quit.

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, I too want to intervene in this debate tonight. I want to start out in an unusual manner, particularly given the tone of the debate. I want to compliment the Minister of Finance. Although I disagree fundamentally with what he has done in his budget, I respect the fact that he is one of the few ministers of the Crown who will sit through the debate and listen to the comments from all members of the House. I congratulate him for that.

Some hon. members: Hear, hear.

Mr. Angus: Having said that, I want to say that in my years in this House and my 17 years in elected life—at least attempted elected life in some cases—I find this particular financial statement is one of the meanest, one of the cruelest and one of the worst that Canadians have ever seen.

The attacks are on those who are the weakest in society, the people who have, not through any fault of their own, found themselves on the scrap heap of not having a job to go to, particularly those who will lose their job once this budget is in place, finding themselves being eligible for less money, a smaller percentage of what they were earning before. If it is a woman in a work place who is being sexually harassed, or a person of colour who is being discriminated against, or someone who is prepared to stand up to the employer and blow the whistle on environmental matters, on health and safety matters and is fired by their employer, they will not get any compensation whatsoever. They will not get any return from the premiums they have paid, in some cases for many years. They will get no insurance. They will be cut off entirely.

The Minister of Employment and Immigration gets up in this House and says they will be given the benefit of the doubt. A lot of the women who are sexually harassed do not want to reopen the wounds. They are not going to go to someone who is a stranger and say they were sexually harassed and here is chapter and verse. They are not even going to say that. We know from experience that women who have been sexually abused on the job do not want anybody to know about it. They are uncertain about their ability to prove it even though they know what is happening to them. By turning the clock back 21 years, we have done a disservice to those women. We have made them open season as we have made people of colour, gays, lesbians, any group in society that can be discriminated against because of who they are or what they stand for.

• (2150)

In that sense, it is a very unfair budget. There was lots of promise out there.

The Minister of Finance, himself having been Minister of Transport on a couple of occasions as well as being the critic for his party for many years, knows how people were looking forward to the national highway program. That program would take the Trans-Canada Highway in particular and bring it up to today's standards. It would take it out of the 1950s and 1960s which a lot of the highway is particularly in New Brunswick and northern Ontario where it is still two lanes.

The ministers of transport of all the provinces and the territories and the federal government have worked hard over the last five years to develop a strategy. The Minister of Finance could have said yes to that strategy. It was not perfect but it was there. We knew what the costs were.

There was an agreed-upon standard of four lanes that could have assisted in highway safety. It could have assisted in the rebuilding of the economies of a number of areas in the country, not just by the construction jobs which would have been created. There would be economic spin-offs to communities such as Thunder Bay, Sault Ste. Marie or Sudbury, by having much better highways for commerce to travel on. The government had that opportunity. They were ready but it failed to act.

There is another area where the government has not even touched ever since the winter works program was killed by the Liberals a number of years ago. The Canadian Federation of Municipalities, the NDP and the Liberals have been asking for a municipal infrastructure program.

Mrs. Finestone: What did we kill? We totally rebuilt them.

Mr. Angus: What you killed was the winter works program that used to provide money to cities to rebuild themselves.

The government had the opportunity to provide funds which not only would have rebuilt the cities, but more important would also have provided the assistance to municipalities to provide the needed sewage treatment facilities. Not just in Victoria, which has been in the news lately, not just in Thunder Bay, which only has primary sewage, but in the province of Quebec where a lot of the sewage goes into the St. Lawrence River untreated.

We could have invested in the environment as well as investing in jobs. But this government failed to respond.

Where the government did respond was with cuts. At a time when for the last five or six years, we have been concerned about the viability of our farmers in western Canada what does this government do? It cuts the Western Grain Transportation Act by somewhere around $70 to $80 million.

That grain will still have to be moved, whether it is to Vancouver or Prince Rupert or Churchill or Thunder Bay, and through Thunder Bay down the seaway. Who is going to pick up the extra cost? The people who can least afford it, the farmers who are already hurting. It probably means that more farmers are going to go out of business. I think that is a real shame.

The other decision was to freeze the wages of public employees for the next two years, for another two years in addition to the year that we have now. While everybody loves to bash the people who work for the government, we forget that those people are consumers.

Those people do not just live here in Ottawa, although a lot of them do. They live in cities and towns and villages throughout this country. They shop at the corner store. They shop at the supermarket. They shop at the hardware store. If their consumption power is eroded because this government has frozen their wages, that means that there is going to be less money circulating back into the community.

My sense is that for every dollar we spend employing people, that much and more comes back to the treasury.

Most of these changes are self-defeating. Look at the cuts to FEDNOR, an excellent program in northern Ontario which provides assistance to existing businesses. It provides assistance to new businesses and has just been renewed after a comprehensive review. What does this government do? It cuts the funds that are available to stimulate the economy in northern Ontario, as it has done with Atlantic Canada and the Western Opportunities Agency. These cuts are counter-productive.

Earlier today my leader pointed out that the change as a result of this mini budget is a net loss of 61,879 jobs. A total of 55,000 jobs will be created by the changes but 117,000 jobs will be lost.

Just go through it. The wage cut will cost 9,200 jobs; the operating budget cut will mean the elimination of 43,000 jobs; the UI benefit cut will affect almost 30,000 people; science and technology, 2,900 jobs; the selective native programs, 1,500 jobs; international assistance—we always think of our assistance overseas as money going away from this country—there are almost 1,400 jobs tied into those cuts; regional and industrial cuts, 8,400 jobs; and the green plan cuts will eliminate 5,200 jobs. If the government had gone forward with the green plan and added to it we could have created many more.

As for the transportation subsidy, a week after CN announces that 10,000 jobs will be gone over the next five years this government comes up with a program that is going to cut another 3,200.

This government has no business governing this country. It is bankrupt of ideas. The morality of this budget is under question. It should not go forward and we certainly will do what we can to make sure it does not.

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, as I listened to the conclusion of the remarks by the hon. member for Thunder Bay—Atikokan, I could only think of crocodile tears. I could only think that if he had been speaking in the Ontario legislature he would have made exactly the same speech.

Mr. Angus: No, I would not.

Mr. Milliken: Exactly, almost word for word the same. He has a Minister of Finance in Ontario, Pink Floyd, and a premier that we are saddled with—I happen to be from Ontario as he knows. They are doing exactly the same thing to the people of Ontario as this Minister of Finance is doing to everybody in Canada. He has introduced budget cuts affecting the poor and the disabled and has taken money away from the disabled.

An hon. member: And students.

Mr. Milliken: And students. This member talks about fairness and he sheds crocodile tears on behalf of the unemployed. Yet his premier is doing it to the same voiceless crowd that this government is doing it to, and he knows it. He should be ashamed of himself and he should have mentioned the disgust and revulsion he feels at the way the premier of Ontario is treating the people of that province after all his la-di-da promises that are so typical of the New Democratic Party.

However, I do not want to dwell just on him because that is bad enough. I know it is something about which I could go on at length, but I have colleagues in the Ontario legislature who are fighting for truth and justice there. Therefore I will turn my remarks instead to the minister across the way.

As my colleagues indicated by their applause a few minutes ago, I want to congratulate the minister on staying in for the debate. It is a rare thing on the Conservative front bench.

Some hon. members: Hear, hear.

Mr. Milliken: Having said that I would like to go back to some history which I thought would be of interest to the minister. I wish his colleague, the former Minister of Finance and now the Minister of Industry, Science and Technology, was here because I am sure he would enjoy these quotes. He likes it when I quote him. I did the other day and I know he was pleased.

I have a quote now from page 98 of *Hansard* on November 8, 1984. This was an economic statement. It is similar to what we have had for the last day or two in debate.

Mr. Mazankowski: It was a good statement.

Mr. Milliken: The minister says it was a good statement. I would like to read part of it. It was a great statement. It was sort of the beginning of the end for the Conservative Party. It says:

> In our centennial year the net federal debt was $18 billion; by the end of the fiscal year it will be about ten times higher, $190 billion; by 1990, if there are no changes, it could approach $410 billion.

Of course we know it approached it and it exceeded it by miles. The minister himself is predicting that it will be, I think, $490 billion by the end of the next fiscal year. He went on:

• (2200)

> Let me put this in more personal terms. In 1967 this debt represented about $4,000 per family; this year it represents about $24,000 per family. And by 1990, if we do not take action, it will be the equivalent of about $54,000 for every Canadian family.

Well, they took action. They took all kinds of action. They cut and slashed all over the place, to hear the minister in all the budget speeches, yet it has exceeded $54,000 per family. Perhaps the minister can give us an up to date figure, but my guess is that it is around $70,000 per family now. That is as a result of their actions. They took action.

We have seen some evidence of the action in the economic statement put forward by the minister. It is action that has shown incompetence and inability to deal with the crucial, fundamental economic questions that are besetting this country.

They say they inherited this problem in 1984 and they moaned and groaned and complained about it. I could go on and on with quotes from this famous statement of November 8, 1984, but I only have ten minutes so I do not have time to do it. I would love to quote more because there was all kinds of hogwash in the statement.

Let us turn to his first budget, this famous Minister of Finance who sat so long in his position until he was finally relieved of his responsibilities, thank goodness. However, I am not sure we traded up.

I want to turn to page 5014 of *Hansard*, May 23, 1985. This was the first budget speech of the new Tory administration as it then was. Of course it is not new now, it is old and tired. He said in his budget speech:

> The impact of these actions, and those taken in November, will continue to grow. Our actions will directly reduce the annual deficit by the end of the decade by more than $20 billion. Between now and then, our actions will cut a total of $75 billion from the projected increase in the public debt.

By the end of the decade there would be $20 billion off the deficit. He did not mean the year 2000. He meant 1990. He was speaking in 1985 when he said these words and the decade he referred to was the 1980s, unless he was talking through his hat.

The deficit that year, according to his projections, was to be $33.8 billion. Subtract $20 billion and that puts it to $18.8 billion. Where is that $18.8 billion figure? We have never come close. It never got anywhere near it at any time in the 1980s, in a term of what the government called unprecedented growth in Canada. It claimed it was creating jobs like billy-o. The economy was just booming, thanks to their wonderful policies, but the deficit kept going up and up and up. Now it is back up at $34 billion. The Tories claimed they had all the answers. It was $34 billion when he made this budget speech in 1985. His cuts were going to save Canadians so much money they would not know what to do with it. It did not happen. The deficit kept going up and up—financial mismanagement on a most impressive scale.

Let me turn to what else he said in this same budget speech, at page 5021 of *Hansard*:

> The measures I announced in November and today will ensure that the annual deficit is more than $20 billion lower than it would otherwise have been by the end of the decade. About 80 per cent of that reduction will be on the expenditure side. Most importantly, these measures will cut $75 billion from the projected debt over the same period.

He actually had the nerve to suggest to the House that 80 per cent of the cuts were on the expenditure side. We know perfectly well that no government has increased taxes as often and as significantly as the government sitting opposite here today. This minister, although I can give him some credit because he does not appear to increase taxes in this budget, knows what is going on.

I see my friends on my left have flown the coop. They are so embarrassed. Every time he gives us a tax break, Bobby Rae gives us a tax hike and takes all the money back. We got a tax break from this government in July. We are supposed to get another one, I think, in January if I am not mistaken, and Bob Rae has hiked all the taxes in Ontario to take all that money back and then some.

Some of the other premiers have done the same but it is particularly pernicious when the major province of this country, which is supposed to benefit from these tax breaks, as a stimulus to the economy takes all the money back out so the economy is not stimulated. That is what is going on. The NDP premier of Ontario is almost in league with this Minister of Finance. They have twin policies that are parallel. One is supposed to be a socialist government, one is supposed to be a Conservative government but the two of them seem to behave as though they were one party. It is unbelievable. It is like the Bobbsey twins.

I do not know whether my colleague across the way, the Minister of Finance, feels like Pink Floyd, but he sure acts like him and the cuts are just the same.

These statements in these past budgets indicate an incredible inability to control the Government of Canada and its expenditures. This government has absolutely, completely failed Canadians on this point. In 1984 in the election campaign they boasted about their ability to

manage. In 1988, throughout the campaign the slogan of the Conservative Party was "managing change". That was the slogan they pushed to all the Canadian people. We have seen how they manage change. It is change for the worse because the deficit has kept going up and up. The government has been unable to deal with the financial crisis that it is faced with, much of which is its own doing.

Instead of pursuing expansionist policies that might have created jobs, reduced dependence on unemployment insurance, reduced dependence on welfare, all of which are funded by the government, instead of pursuing that kind of policy and then increasing tax revenue as a result of that, the government has relied on cuts and increased taxes. It has been obsessed with lowering inflation to zero. It has been obsessed with that and it has thrown thousands of Canadians out of work. Now it has a provincial government in Ontario that follows exactly the same policies. It is a double whammy for our province and it is a double whammy for Canada.

If Ontario is supposed to be the engine that runs the Canadian economy, how can it do it when it has a government in Ottawa that keeps trying to put the brakes on and when it has a government in Ontario that does not know how to get the brakes off. Instead of trying to stimulate the economy in Ontario by getting rid of these silly labour laws that the minister in Ontario is introducing and so on, things that would attract business and make the province grow a little bit, the premier of Ontario seems bent for leather on changing things around to make it an unpleasant economic environment in that province that will not stimulate business.

The Minister of Finance comes along and says he is stimulating business with a few paltry handouts and then he admittedly makes a genuine attempt with a tax reduction which the premier of Ontario then steals away. How are Ontario citizens supposed to prosper in that environment? How are people coming into Ontario supposed to feel that they can participate and grow in Ontario? Ontario used to be a place to stand and a place to grow. It is not any more. The reason it is not is because of the policies pursued by the minister and the policies pursued by the New Democratic Party government in that province. It is a sad state of affairs, a very sad state of affairs.

If the minister will accept some very sound advice, I would suggest he go to the Prime Minister right away and urge the Prime Minister to go to the Governor General, get a dissolution of this House, and allow the Canadian people to express their views on how the minister and his colleagues have been administering the Government of Canada for the last eight years. I am sure when they get the chance, it will be thumbs down and we will get a new government in this country that can do something about the problems that this government has created.

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

Madam Deputy Speaker: Pursuant to order made on Tuesday, December 1, 1992, the question on the motion is deemed put and a recorded division is deemed requested and deemed deferred until six o'clock p.m. on Monday, December 7, 1992.

It being 10.07 p.m., this House stands adjourned until tomorrow at 10 o'clock a.m. pursuant to Standing Order 24(1).

The House adjourned at 10.07 p.m.

HOUSE OF COMMONS

Friday, December 4, 1992

The House met at 10 a.m.

Prayers

[*English*]

PRIVILEGE

SUB-COMMITTEE ON RECODIFICATION OF THE GENERAL PART OF THE CRIMINAL CODE

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I wish to bring a matter of privilege to the attention of the House.

It is my contention that my privileges and those of the House have been breached and that the actions of another person are in contempt of Parliament. I will deviate from the House to a committee for only a very brief moment. With the indulgence of Mr. Speaker, I will demonstrate how the issue affects the House as a whole.

In November of this year, in my capacity as a member of Parliament, I requested that the clerk of the sub-committee on justice reviewing the Criminal Code, Mr. Richard Dupuis, invite Mrs. Sheryl Eckstein of Vancouver to testify before the committee. Mrs. Eckstein did testify before that committee on November 24, I believe it was. It is about that issue I now wish to speak.

After her testimony, Mrs. Eckstein was intimidated by a person at the employ of the Canadian Broadcasting Corporation. The individual in question, Mrs. Kelly Crichton of the CBC, contacted Mrs. Eckstein yesterday to inform her that the issue of her testimony had been referred to the legal department of the CBC to be looked into. The implication was that there would be a lawsuit or a threat of a lawsuit against the individual for her testimony before the committee.

I do not wish to discuss the merits of the testimony of the individual although of course I could. That is not at issue here. The issue is whether or not this Parliament has a right to listen to any witness without the intimidation of anyone else. I do believe that right is ours.

I will make my summation brief because the bill before us today is one on which many of my colleagues wish to speak, but I do want to remind the Speaker of a few citations. Erskine May's 20th edition, page 116, states:

• (1010)

> —all witnesses summoned to attend before either House of Parliament, or before parliamentary committees, and to others in personal attendance upon the business of Parliament, in coming, staying, and returning—

—to the House enjoy the same privileges as members of the House of Commons. In other words, they cannot be sued for anything they say or bring to the attention of the committee.

I also want to mention two other definitions. One of them involves Mr. Maingot's *Parliamentary Privilege in Canada*. That has to do with obstructing or interfering with a person other than a member, a person who wants to testify before either a committee or the House. I quote:

> All persons who have business with the House of Commons receive the temporary protection of the House during the time they are en route to the House of Commons or to the place of the parliamentary proceedings with which they have business, while they are involved and taking part in the parliamentary proceeding and while they are returning from the parliamentary proceeding. This includes witnesses who appear before committees, whether summoned or invited, counsel to witnesses, petitioners delivering petitions to members of Parliament, and persons involved in advancing the cause of a private bill to be discussed.

I cite the following as well:

> For example, whether contempt of the House had been committed by tampering with a witness would depend on the facts in each case.

In other words, Mr. Maingot says that there are, in fact, cases where this can be deemed to be contempt of the House.

Mr. Speaker, I want to remind you as well of Beauchesne's citation 853:

> Every witness appearing before the House or any committee thereof may claim the protection of the House—

—not the committee, of the House—

> —in respect to the evidence to be given.

Citation 865 says that:

> To tamper with a witness in regard to the evidence to be given before the House or any committee or to endeavour, directly or indirectly, to deter or hinder any person from appearing or giving evidence is a breach of privilege.

Mr. Speaker, the case I bring before you is quite clear. For someone to have contacted a witness who appeared before a parliamentary committee and to have threatened that witness is not an offence to be brought strictly before the committee. It is an offence against the House because of course the allegation or the threat was not made in committee. It was made completely outside of the House of Commons but in relation to the proceedings of a committee of this House.

Furthermore, I want to present the argument that were such threats to go on unchallenged, they can and would undoubtedly be repeated, that individuals from now on would no longer enjoy the security they have had from time immemorial to testify before Parliament without the threat of being sued or intimidated by anyone. That, Mr. Speaker, is far more important than anything else.

Finally, Mr. Speaker, I wish to bring to your attention in the unlikely event that you would be tempted to rule that this matter should be dealt with at committee, that in fact the committees are in the process of winding down for the Christmas period.

This evidence was brought before a sub-committee which has terminated its proceedings for the next few months. Therefore, the evidence on this could only be heard before committee in a number of months from now at the earliest, if at all, in the event of a prorogation of Parliament later. Therefore, Mr. Speaker, I submit to you and to all my colleagues in the House that we must address this issue as an institution.

I wish also to indicate to you, Mr. Speaker, that were you to find that there is a prima facie case of privilege, as I claim there is, I am prepared to move the appropriate motion in order that this most important issue of the testimony of and the threat against Mrs. Sheryl Eckstein be referred to the parliamentary committee on procedure, privileges and elections.

Mr. Speaker, in closing I want to indicate to you that the CBC individual in question has confirmed her phone call with Mrs. Eckstein before the media in an article today by Mr. Peter Stockland of the *Sun* chain of newspapers. In fact she has confirmed having made the communication to Mrs. Eckstein. I submit to you, Mr. Speaker, that there is independent verification of the fact the communication actually took place.

I wish to thank you, Mr. Speaker, and all my colleagues for listening to what I believe is an issue that could affect the privileges of all of us.

Finally, let us remember that the actions in question go far beyond our privileges. In my view, the actions of the individual are contemptuous of this great institution, and that is an issue which I hope you will address.

Mr. John Brewin (Victoria): Mr. Speaker, I would like to join with my colleague in bringing this issue before you and before the House. I would expect it is a matter of concern to all members of the House.

In addition to the references given by the member, I would like to refer to page 132 of Erskine May's 21st edition where it seems to be very clear that it is a breach of privilege to attempt by persuasion or solicitations of any kind to induce a witness not to attend or to give false evidence.

Without repeating the arguments, I would just like to make a couple of quick points. First, it may be relevant to your consideration that the alleged offence occurred after the witness gave evidence to the committee. In my submission that does not affect the question of the privileges of this House because the affect of the threat to sue would be chilling on future witnesses before committees or before this House. It is therefore relevant that you examine whether the threat to sue in these circumstances is a prima facie breach of privilege.

The CBC has said the basis of its concern was that the material was used out of context. That of course gets to the substance of the issue, but be that as it may a threat to sue for use of CBC material surely goes far beyond an expression of some concern of the context. That issue could have and should have been raised directly with the committee.

Finally, let me say I agree with the member that this should simply referred back to the committee. It is important for this House to establish and reaffirm the privileges that it has in hearing witnesses and having them freed from a threat of suit which as the member indicated is not likely to have had any force or substance given the rules of this House.

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I thank the hon. member for Glengarry—Prescott—Russell for bringing this matter to the attention of the House. I appreciate the argument that my friend from Victoria has made as well about the "after the fact" alleged threat and its possible chill effect.

I have just had handed to me by my friend from Glengarry—Prescott—Russell a copy of the *Ottawa Sun* article from this morning and a quick glance at it seems to suggest there may be an issue of copyright involved in this. It is not for us to judge that at this point. I think that and other issues raised by my friend from Glengarry—Prescott—Russell would properly be the subject of the committee on privileges and elections.

It seems to me there is a prima facie case here and I would support, if you should so rule, Sir, the referral of the matter to that committee.

• (1020)

SPEAKER'S RULING

Mr. Speaker: First of all I thank the hon. member for Glengarry—Prescott—Russell for bringing this matter to the House, the hon. member for Victoria who has made a helpful intervention, and the parliamentary secretary on behalf of the government.

Some mention has been made that this matter arose in a committee and hon. members will have heard me say many times that usually matters should be put back to committee. My own feeling is that under the circumstances which have been explained to me that is not the convenient or appropriate thing to do at this time.

I have listened carefully to what was said. I think this is an appropriate case for the Chair to rule that there is a prima facie case for privilege. I would ask the hon. member for Glengarry—Prescott—Russell to move his motion.

Point of Order

Mr. Boudria: Mr. Speaker, I move:

That the matter of the threats by Miss Kelly Crichton against Miss Sheryl Eckstein, a witness before a parliamentary committee, be referred to the Standing Committee on House Management.

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

Some hon. members: Agreed.

Motion agreed to.

* * *

POINT OF ORDER

BILL C-93

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I rise on a point of order concerning Bill C-93, an omnibus bill which is to be debated under House orders in a few moments. I want to take this occasion to put some procedural arguments before the Chair.

Six sitting days ago Bill C-93 was first tabled in the House. We are here today and the government wishes to proceed with second reading, which I suggest to the Chair is the most important aspect of a bill. This is where the principles are ascertained, promoted and debated quite vigorously.

In the budget of last February the government announced that for reasons of economy it planned to fold a number of agencies into other agencies or departments doing similar work.

Bill C-93 is intended to give legislative authority to the government's announcement with regard to 10 agencies performing distinctive functions. The long title of Bill C-93, an act to implement certain government organization provisions of the budget tabled in the House of Commons on February 25, 1992, is intended to mask the real complexities of the bill.

It puts forward the fiction that the bill is merely a cost cutting measure eliminating a bunch of redundant or archaic agencies. In fact an examination of the bill reveals that while it does not wind up some agencies thereby saving some money, it also makes major changes to public policy with regard to the role of government. The bill amends or repeals no fewer than 27 existing statutes and enacts one completely new statute.

If properly drafted the long title would indicate its purpose of terminating specific agencies by name. This would of course uncover the real purpose of the bill in the guise of cutting costs and eliminating some redundant bodies to eliminate a number of government agencies that in the course of effectively carrying out their responsibilities have become thorns in the government's side.

Superficially the principle of the bill, the government purports, is to reduce the cost of government. In reality, however, it raises the principles of maintaining—

Mr. Speaker: Just a moment, the hon. parliamentary secretary is rising.

Mr. Edwards: Mr. Speaker, I listened with care to what my hon. friend was saying. It seems to me that if there is a point of order to be made it ought to be made with expedition.

What my friend is doing is anticipating debate under Government Orders and we have not got to that yet. He is in fact beginning a debate that has not yet been called.

Mr. Speaker: I thank the hon. parliamentary secretary for his intervention.

I am listening very carefully to the hon. member for Cape Breton—East Richmond. I think he is reaching his point and I know that he will be as concise as he always is.

Mr. Dingwall: Mr. Speaker, I am happy for the intervention of the parliamentary secretary. Perhaps I might be able to facilitate the process whereby Bill C-93 in its present form would not come forward.

I wish to remind the House of Beauchesne's 6th edition dealing with this particular matter in the following citation 634:

> Speakers have expressed deep concern about the use of omnibus bills, and have suggested that there must be "a point where we go beyond what is acceptable from a strictly parliamentary standpoint". Nevertheless, the practice of using one bill to demand one decision on a number of quite different, although related subjects, while a matter of concern, is an issue on which the Speaker will not intervene to divide the bill.

Citation 635 states:

> In the case of an omnibus bill, the Speaker has encouraged the use of motions to delete a clause at the report stage, pursuant to Standing Order 76(2) to permit the House to decide a specific issue contained in an omnibus bill, even though the motion might offend the principle of the bill.

In support of my argument I would like to quote from *Hansard* of March 1, 1982 when the hon. member for Calgary Centre said in the House, as reported at page 15479, with regard to an energy bill which had been tabled at that time:

> That is the title of an omnibus bill with a capital *O* and a capital *B*. Indeed, I would argue that it would be more accurately described as an "omnifarious bill", meaning of all sorts, or perhaps an "omnific" bill, meaning all-creating. Certainly there has never before in the history of Parliament been included in one proposed bill such an incredible hodge-podge and mish-mash of such disparate items.

Furthermore, in the final quote given to the Chair, the same hon. member went on to quote from the Hon. Lucien Lamoureux, as reported in the House of Commons *Journals* for January 26, 1971, at page 284:

> However, where do we stop? Where is the point of no return? The honourable member for Winnipeg North Centre, and I believe the honourable member for Edmonton West, said that we might reach the point where we would have only one bill, a bill at the start of the session for the improvement of the quality of life in Canada which would include every single proposed piece of legislation for the session. That would be an omnibus bill with a capital *O* and a capital *B*. But would it be acceptable legislation? There must be a point where we go beyond what is acceptable from a strictly parliamentary standpoint.

I suggest in conclusion that this particular bill because of its width, because of the various agencies that it affects, because of the way in which it changes public policy in this country, ought to be sent back to the drafters and divided accordingly and then brought back to this House.

As Bill C-93 stands as an omnibus bill, I hope the Chair would take my arguments into consideration and send this bill back to the drafters.

I raise this point now, in response to the parliamentary secretary, because there were indications that we would be proceeding with second reading today. Maybe that is not the case. If that is not the case, that indeed gives further comfort and further ease to the government to take the bill back to the drafters and do so appropriately.

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I have a sense of having been here before. I think this whole argument has been gone through as recently as March 30 of this year. The budget of course was approved last March 11 and an issue was raised by other members, I think the member

for Kamloops and the member for North Island—Powell River. Indeed it was triggered by our friend from Cape Breton—East Richmond on March 30.

The arguments made by my predecessor, the hon. member for Peace River, ought to guide us in looking at the point of the member for Cape Breton—East Richmond in this particular case.

The umbrella of this particular legislation was made very clear in the budget. It indicated very clearly that the government planned to dissolve or terminate a number of corporations and other bodies for a central theme. That is the ability to cut government expenditures and, therefore, as much as possible relieve the burden on the Canadian taxpayer and to reduce the stress and pressure of this very difficult debt situation we are faced with in this country. That, said my colleague, the member for Peace River, is the umbrella. The term umbrella was used advisedly because it is found in Beauchesne's sixth edition, page 192, citation 626:

• (1030)

> (1) Although there is no specific set of rules or guidelines governing the content of a bill, there should be a theme of relevancy amongst the contents of a bill. They must be relevant to and subject to the umbrella which is raised by the terminology of the long title of the bill.

We might refer in this particular case to the debates of June 8, 1988, page 16255 of *Hansard*. The Chair at that time agreed with the best definition. You, Sir, agreed with the hon. member for Windsor West in his quotation from page 15880 of *Hansard* for May 30, 1988:

> The essential defence of an omnibus procedure is that the Bill in question, although it may seek to create or to amend many disparate statutes, in effect has one basic principle or purpose which ties together all the proposed enactments and thereby renders the Bill intelligible for parliamentary purposes.

You, Sir, at that time said that the Chair was grateful to the member for Windsor West for those words and that they had assisted you greatly in arriving at your decision. I would submit that the facts of the point my friend has raised are virtually four square with the points raised on June 8, 1988 and again in the point of order raised by this same member on March 30, 1992 and that it should not be difficult for you to make the same decision on this occasion so that the business of the House might proceed.

Mr. Speaker: I do not know what the government is going to call. I am going to take a few minutes to consider the representations that have been made to me and the government can make its own decision as to whether it is calling this particular bill. I do not intend to hold up the commencement of the debate but I do want to consider my position for a few minutes.

GOVERNMENT ORDERS

[*English*]

BUDGET IMPLEMENTATION (GOVERNMENT ORGANIZATIONS) ACT, 1992

MEASURE TO ENACT

Hon. Shirley Martin (for the Minister of Finance) moved that Bill C-93, an act to implement certain government organization provisions of the budget tabled in the House of Commons on February 25, 1992, be read the second time and referred to a legislative committee in the Economics envelope.

Mr. Dingwall: Madam Speaker, I rise on a point of order. I think you would find it appropriate to move the adjournment of the House. The appropriate ministers are not here.

Madam Deputy Speaker: The hon. member should know that he cannot move the adjournment of the House under a point of order.

Mr. René Soetens (Ontario): Madam Speaker, I am pleased to begin debate on Bill C-93, an act that will help restructure and streamline the operations of government in order to improve both efficiency and service to Canadians.

Part of the reason I am pleased to begin this debate is that certainly one of my concerns prior to my election to Parliament back in 1988 was the whole business of how government delivered service and programs and how did we best provide to the people of Canada the things that were of value to them. I believe that this bill goes a long way in that direction.

As proposed in the February 1992 budget, passage of legislation before us today will allow for a number of government operations to be consolidated or merged with other operations of government. The 1992 budget reflected the advice received by the Minister of Finance

during his extensive pre-budget consultations with Canadians from all walks of life and from all regions of the country. While he heard many differing views on how best to meet the economic challenges faced by Canada, he heard one particular view over and over again. Put simply, it was that the structure of government did not yet reflect the realities of the new global economy.

We are reminded on a daily basis that the world economy has changed dramatically in the past decade, in particular accelerating technological advancements have extended competition beyond national boundaries. In the process international markets and customers we once considered secure are now up for grabs. To be competitive and preserve our markets, Canadian firms have had to be more efficient. They have had to face the challenge of cutting costs without sacrificing quality in order to provide superior goods and services at lower prices than our competitors.

Despite the hardships of an international economic slowdown, there are indications that Canadian businesses and their employees are succeeding. An array of recent statistics points to the fact that the international competitiveness of Canadian industry is on the rise. For example, the growth in unit labour costs in Canada has dropped from about 8 per cent in early 1991 to 1.5 per cent in the first half of this year. Only the U.S. has a better 1992 record among the G-7 countries. Not coincidentally, Canadian exports rose 9.5 per cent in the first half, reaching a record of $13 billion in August. Certainly in my constituency I can confirm that businesses are saying it is still continuing so there is good news there.

However, the need to restructure to increase our international competitiveness is not exclusive to the private sector. Government must also become leaner, more efficient and more productive. Where services are duplicated they must be merged. Where programs are obsolete they must be eliminated. Where savings can be achieved, particularly in administrative overhead, they must be realised.

In effect, governments must continue to serve their constituents effectively but they must do so with less resources. In so doing, governments will be taking the kind of actions that the private sector is having to take and has been taking for quite some time. They will demonstrate to Canadians that they are not insulated from the real world and that they are responding to the same competitive pressures that are buffeting the private sector.

On a practical level, reducing expenditures will help to control the deficit and the national debt which in turn will lead to lower interest rates and a reduced tax burden for Canadians and Canadian businesses.

We on this side of the House have worked to reduce the size and cost of the federal government. We have restrained federal spending, including public sector wages. On Wednesday of this week there were some additional actions announced that were most important in that direction. We have implemented the Spending Control Act and the Debt Servicing and Reduction Account to ensure that fiscal responsibility is a matter of law. By privatizing over 20 Crown corporations we have reduced the public payroll by some 50,000 employees.

Nevertheless we realize, as do Canadians, that the task of streamlining the federal government and making it more efficient is not yet complete. Bill C-93 is another step in that direction.

The budget implementation government organizations bill is the second of a series of omnibus bills designed to give effect to the government's streamlining measures announced in the 1992 budget. The purpose of the bill is to reduce government overhead and to provide services to Canadians more efficiently.

• (1040)

The bill includes the necessary amendments required to give full effect to the budget decisions affecting 15 different organizations. I want to consider now the specific organizations addressed in Bill C-93.

I would note that any pulic servants affected by the reorganizations in this bill will be covered by the government's work force adjustment policy. The policy provides for notice of layoff, opportunities for alterntive employment and arrangements for termination of employment.

The legislation provides for the winding up of the Agricultural Products Board. Over the years the board has provided an important service in stabilizing markets for agricultural commodities. However, the function can be exercised more efficiently on the basis of an amended

Agricultural Products Co-operative Marketing Act with the support of the Department of Agriculture.

Along similar lines, the positive features of Enterprise Cape Breton Corporation will be retained after the corporation is folded into the Atlantic Canada Opportunities Agency. In particular, financial assistance will continue to be available for new and existing businesses that are likely to make a substantial contribution to industrial development and employment opportunities in Cape Breton Island outside of the coal producing and steel industries. ACOA's new statutory powers will be restricted to Cape Breton Island and a portion of mainland Nova Scotia around the town of Mulgrave.

Dissolving the ECBC and carrying over its specific statutory powers to ACOA will eliminate a duplication in program delivery and the administrative overlap which that duplication entails. For example, the post-merger staff complement of ACOA's Cape Breton office is projected to be reduced by 23 person-years from 72 to 40. ACOA clients in Cape Breton will be the beneficiaries of increased efficiency in promotion, financial assistance and development of industry on the island.

Passage of Bill C-93 will result in the creation of a new, single cultural agency by combining the Canada Council and the Social Sciences and Humanities Research Council. I want to emphasize that despite fiscal pressures, our government has continued to provide significant levels of funding for the arts and the humanities. We believe that Canadian culture has a vital role in fostering a vigorous and unified nation.

The new agency will deal with a full range of cultural matters, including international cultural programs and international academic relations currently under the auspices of the Department of External Affairs. Under the provisions of the act, the new council will be required to take Canada's foreign policy into account in fulfilling its mandate.

The merger will result in increased efficiency in the delivery of programs and services such as grants to artists, promotion of the arts and the provision of scholarships in the social sciences and humanities. As a result, we will enhance our capacity to project our national personality and the expression of our culture abroad.

To realize savings in administrative overhead, the government proposes to fold the Canadian Commercial Corporation into the Department of Supply and Services. However, given the nature of the CCC's function, its dissolution will be phased in. Nevertheless, administrative savings of $1 million have already been identified from the corporation's 1992-93 appropriation of $14.9 million.

The CCC facilitates exports by Canadian suppliers, particularly defence products to foreign governments. Last year, the total value of orders obtained by the corporation on behalf of some 500 Canadian suppliers totalled $678 million. Moreover, the CCC's business involves more than 2,000 ongoing contracts in a least 50 countries. Therefore, we propose a gradual dissolution of the CCC until the Minister of Supply and Services is satisfied that there will be no detrimental effects on our exports and our trade relations with other countries. In the interim, the CCC will remain a corporate entity.

The government also proposes that Emergency Preparedness Canada be folded back into the Department of National Defence. This is an appropriate action given that Emergency Preparedness Canada was housed within the Department of National Defence prior to 1988 and still reports to the Minister of National Defence.

The budget papers did note that EPC's functions in relation to planning and co-ordinating civil emergency preparedness remain essential. However, its separate organizational status is not necessary for the effective fulfilment of that mandate. Moreover, folding EPC back into the Department of National Defence will allow for its functions to be continued at a lower cost in administrative overhead.

Bill C-93 additionally provides for the amalgamation of the RCMP External Review Committee and the RCMP Public Complaints Commission into a single body entitled the Independent Review Commission for the RCMP.

As was the case with the agencies being replaced, the new body will be independent from the RCMP. It will deal with public complaints concerning the conduct of RCMP officers and review appeals and grievances for members of the RCMP.

Consolidating these two similar agencies will achieve savings in administrative overhead, eliminate duplication of services and allow for increased efficiency and program delivery. This action will result in the reduction of seven person-years and one Governor in Council appointment and annual saving of about $1 million.

Efficiency gains will also be realized by merging the Copyright Board, the Trade Marks Opposition Board and the Patent Appeal Board to form the new intellectual property tribunal. Its duties will include the fixing of royalties which the performing rights societies may collect in return for granting licences for the performance of dramatic or musical works. The tribunal will also decide on how royalties should be divided, including those generated by the retransmission of television and radio signals. The intellectual property tribunal will arbitrate dispute on copyright royalties and decide opposition and cancellation procedures arising under the Trade Marks Act.

As recommended by an independent report, the tribunal will bring together an expanded wealth of intellectual property law and expertise into one organization. Industry sectors involved in the use of intellectual property will benefit through improved service and greater expertise among board members. Given that the tribunal at times will rule on government decisions it will be independent of the government.

The legislation also provides for the merger of the Procurement Review Board and the Canadian International Trade Tribunal. Following the merger, the new organization will be named the international trade and procurement tribunal and report to Parliament through the Minister of Finance.

Amalgamating the PRB and the CITT is a logical course of action. As members will know, these two entities provide similar services pertaining to complaints from Canadian and American suppliers about unfair trading practices. While the PRB's authority is limited to government procurement decisions within the scope of the free trade agreement, both bodies conduct investigations, hold hearings, uphold or dismiss complaints and if necessary determine remedies.

The new entity will provide increased administrative efficiencies from the sharing of personnel and overhead. For those who fear that the expertise accumulated by the PRB will be lost in the merger, I want to assure them this is not the case. As the new name implies, the international trade and procurement tribunal will have a separate division that will deal solely with matters of government procurement.

The government also intends to wind up the Petroleum Monitoring Agency. Its functions will be assumed in the Department of Energy, Mines and Resources. For those who are unfamiliar with the PMA, the agency publishes semi-annual and annual ownership surveys of the petroleum industry as well as other specific reports as requested by the Minister of Energy, Mines and Resources to whom the PMA currently reports.

This streamlining action builds upon the efficiency gains that the PMA has achieved over the years which have already allowed for a steady decline of its size and budget. It also reflects the fact that administratively an independent agency with 10 person-years and a part-time chairman is not the most effective manner in which to perform the monitoring function. Monitoring the petroleum industry within EMR will result in annual savings of $300,000 over the PMA's 1991-92 budget and will require two less person-years.

Finally, the Veteran's Land Administration will be wound up and its function and responsibility will be transferred directly to the Department of Veterans Affairs. This merging of VLA operations with those of the department will allow greater economies while ensuring that the interests of veterans are fully protected.

I want to emphasize that the VLA program is not being abolished. Rather, the legislation merely reflects the fact the program is in its final phase. Established during the Second World War, the VLA program provides loans and other assistance to veterans purchasing property for farms and homes. However, no new loans have been made since 1977 and as of April 1, 1992 there were 10,603 loans outstanding as opposed to 144,000, 20 years ago. Given the declining VLA workload, it is appropriate that its separate agency status be terminated.

As I have described, Bill C-93 will result in significant administrative savings and increased efficiency in the delivery of government programs and services to Canadians.

• (1050)

It reflects the government's commitment to ensure that tax dollars are not wasted on funding duplicated services or excessive administration. The bill makes sensible changes in a reasonable way while ensuring that the national interest is served. Accordingly I would urge my hon. colleagues to ensure speedy passage of this most important piece of legislation.

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, I want to participate in this debate. I am anticipating that the Chair will rule in favour of my suggestion that the bill ought to be sent back to the drafters in order that it be brought back in its appropriate form.

Nevertheless, I wish to direct my comments to one aspect of Bill C-93 and that has to do with the amendments to the Atlantic Canada Opportunities Agency. In this particular bill, as has been referred to by the hon. member opposite, the Government of Canada will be shutting down Enterprise Cape Breton Corporation. This was an agency put in place to facilitate and enhance economic development on the island of Cape Breton. That was part and parcel of Bill C-103 which was introduced back in 1987.

For the benefit of the House and those who are viewing our proceedings, I wish to share with the hon. members opposite as well as other members in the Chamber the historical significance that individuals in Cape Breton believe Enterprise Cape Breton Corporation could play now and in the future.

Enterprise Cape Breton Corporation was supposed to assume the role and responsibilities of the industrial development division of the Cape Breton Development Corporation. History is important, for in studying history we can learn what we have done well and what we have done not so well.

In 1967 the Government of Canada at the behest of the then member for Cape Breton—Highlands—Canso, who now sits in the other place, presented a piece of legislation before the House of Commons to create the Cape Breton Development Corporation. At that time the coal industry was in massive difficulty. Unemployment was rampant on the island. Economic opportunities were practically non-existent.

As a measure of goodwill and to try to enhance real opportunities the government of the day and particularly that member who was a minister of the Crown introduced the Cape Breton Development Corporation. It had two divisions. One was the coal division, the second was the industrial development division.

The purpose of the bill I would like to read into the record. At that time it was succinctly defined by the hon. Allan J. MacEachen in the House of Commons when he spoke on the motion introducing the corporation's enabling legislation: "To acquire, reorganize and rehabilitate certain coal mining works and undertakings on Cape Breton Island, to conduct coal mining operations in the Sydney coal fields and to promote and assist the development of industry on Cape Breton Island to provide employment outside the coal producing industry and to broaden the base of the island's economy".

It had two divisions with its own president, its own board of directors and its own mandate. It is important to remember this for the purposes of debate. Devco has had some successes and it has had some failures. I do not think anyone in this Chamber would doubt that. Having the two divisions enabled those individuals who are involved in the coal mining sector to have some sense of security for their future and some hope as to where we might go.

Since we are specifically talking about industrial development, I want to share with members what my colleague, Senator Graham, said in the upper House on May 26, 1988 from the *Hansard* of the Senate, page 3500. He talks about the industrial development division:

> The industrial development division continues to fulfil its mandate by doing what the coal division cannot do in many of those communities whose history and economy are deeply rooted in coal. Among other things, the industrial development division provides urban and industrial infrastructure, supports the entrepreneurial development programs and supports local self help organization. We must underline and emphasize that the corporation is not two separate divisions with two mutually exclusive mandates; in reality, the mandate and the direction are the same, to modernize and diversify the Cape Breton economy.
>
> The corporate mandate may be protected in legislation, but it is corporate policy that determines the results. The Cape Breton

> Development Corporation has, through the policy decision, chosen to be socially responsible to the people of Cape Breton Island.

That was the essence of the corporation and that was in essence the work of the Industrial Developoment Division. The former chairman of the board of the Cape Breton Development Corporation, Dr. Theresa MacNeil, said in part:

> The social conscience of the Cape Breton Development Corporation has long been possible by the work it assigned to the Industrial Development Division. It is possible through program retention to duplicate the current activities of the Industrial Development Division. That is not a problem. However, in doing so, the essence of the Cape Breton Development Corporation is being lost.

I share that with members of the House because historically we had the Cape Breton Development Corporation which was to do a number of things, as I have indicated, and the government comes along in October of 1986 and creates the Atlantic Canada Opportunities Agency. That is in part I of the bill. In part II of the bill it did away with the Industrial Development Division and created what we now have, Enterprise Cape Breton Corporation, which the government now wishes to do away with.

In the Speech from the Throne on October 1, 1986 the Conservative government announced its intention to establish the Atlantic Canada Opportunities Agency in order to "facilitate and co-ordinate all federal development initiatives in that area".

That was October 1, 1986. This announcement was made by the Prime Minister on June 6, 1987 in Saint John with unbelievable fanfare. There was a huge press conference, a big news release, and a big reception. So vital was this new program that a mere six months later, a mere 14 months after the original announcement in the Speech from the Throne, the implementing legislation was finally introduced in the House of Commons in December of 1987.

The government's hypocrisy is rather breathtaking. It tells Atlantic Canadians that they are the real decision makers behind ACOA, which we know is not correct, and then warns them that they will be held culpable if ACOA fails.

The Atlantic Canada Opportunities Agency was given a budget of $1.05 billion. All the wonderful press people and the writers in *The Globe and Mail* and *The Toronto Star* and *The Montreal Gazette* and *The Vancouver Sun* used to say my goodness, what an unbelievable amount of money for Atlantic Canada.

I know my time is coming to an end, but I just want to close with this and then I can continue the debate afterwards.

That was $1.05 billion over five years, roughly $200 million a year for four individual provinces. It amounted roughly to $86.96 per person. That is what the announcement then made with regard to ACOA.

• (1100)

I see my time is up, but I hope to continue the debate after Routine Proceedings.

[*Translation*]

Madam Deputy Speaker: It being 11 o'clock, the House will now proceed to statements pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S.O. 31

[*Translation*]

FRENCH IN THE ARMED FORCES

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, today *La Presse* reported the following, and I quote:

> Minister of Defence Marcel Masse has decided to take concrete steps to ensure that francophones are able to work and advance within the armed forces in their own mother tongue.
>
> "The Chief of Staff and the Minister of Defence have decided it is imperative that all courses (basic occupational) shall be offered in French starting September 1993", the minister announced when he appeared yesterday before parliament's official languages committee.
>
> In doing so, Mr. Masse wants to remedy a major deficiency in the department and the Armed Forces which was pointed out by a departmental official languages committee.
>
> According to a report published on November 15 this year, 41 per cent of the basic courses for various occupations are still not available in French. Basic technical training for officers is given in French in only 10 per cent of the cases.
>
> "This is a situation we cannot tolerate, and changes must be made as soon as possible", said Mr. Masse. He added that in five years' time, all basic technical training courses should be available in both languages, for all branches of the service and all occupations.

[*English*]

MULGRAVE, NOVA SCOTIA

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Madam Speaker, a David and Goliath battle is shaping up in eastern Nova Scotia.

David is the town of Mulgrave, population of 951. Incorporated in 1923, Mulgrave is a proud town with a proud past. In recent years it has struggled against difficult odds to attract jobs for its residents. Unemployment in the town is between 23 per cent and upwards of 50 per cent depending on the measure one uses.

Goliath is the Royal Bank of Canada, the country's largest bank with assets of $132 billion and profits of $983 million in fiscal 1991.

The Royal Bank has decided to close its branch in Mulgrave which has been there for 81 years and consolidate its operations across the Strait of Canso in Port Hawkesbury. As a result, Mulgrave residents will lose the only bank in their community. They will have to travel a minimum of 28 kilometres round trip to obtain basic banking services.

This may be a small matter to the Royal Bank of Canada more accustomed to handling big accounts like Olympia and York, but it is no small matter to the residents of Mulgrave.

Madam Deputy Speaker: I am sorry but the hon. member's time has expired. The hon. member for Elgin—Norfolk.

* * *

CORN AND SOYBEAN PRODUCERS

Mr. Ken Monteith (Elgin—Norfolk): Madam Speaker, corn and soybean producers in Ontario have suffered a devastating harvest.

A cold, wet growing season has produced one of the worst harvests in memory. As well, continued wet conditions this fall have prevented many farmers from harvesting their crops. Moisture levels in the crops that have been harvested are incredibly high.

Farmers are spending precious funds to dry corn that may only be suitable for animal feed. Many producers are finding that corn and soybean standing in the fields are moulding and will be unsuitable even for animal feed.

I am pleased the Minister of Agriculture is providing assistance to these producers who are unable to harvest their crops. Farmers are devastated by this crop loss. I appreciate the Minister of Agriculture responding so quickly to the needs of the producers in Ontario.

* * *

SHELTERED WORKSHOPS

Mrs. Marlene Catterall (Ottawa West): Madam Speaker, once again the NDP is showing that its pretence to be the conscience of the nation and the protector of the disadvantaged vanishes the minute it holds power and has its hands on the purse-strings.

In a cruel blow without warning, the NDP government in Ontario cut $5 million from sheltered workshops for mentally disabled individuals. Further cuts of up to $1 billion in social services may mean the complete elimination of sheltered workshops. In this region alone 200 individuals are on the waiting list and 200 more may soon be out on the streets.

Yesterday, on the International Day of the Disabled, 700 participants, parents, care workers and volunteers, rallied to protest the inhumanity of the NDP government.

I plead with the NDP members in this House. Talk to your colleagues in Toronto. Tell them to stop harassing, punishing and depriving our most vulnerable citizens.

* * *

UNEMPLOYMENT INSURANCE

Mr. Jim Karpoff (Surrey North): Madam Speaker, a constituent in my riding left her job in a home for mentally handicapped persons because of the mistreatment of the residents. She reported the information to the licensing board and the mental health officials and applied for UI. She was disqualified from UI for 12 weeks for quitting her job.

Now, a year later, the licensing body having investigated the home has cancelled its licence and removed the residents.

Under the government's new proposals, not only would she have been disqualified for 12 weeks but she would also have been denied any UI.

We should be congratulating this woman for standing up for the rights of the disadvantaged, not punishing her by denying her unemployment insurance.

With the threat of no unemployment insurance, others may not be so courageous putting the health and safety of group home residents at risk.

* * *

SMALL BUSINESSES

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Madam Speaker, I rise to applaud the small business employment and investment package announced on Wednesday.

To encourage small business to expand and hire new employees, UI premium costs will be capped at 1992 levels. New enterprises will have a UI premium holiday for 1993.

Rules on investments in small business by RRSPs and labour-sponsored venture capital funds will be simplified and financing options expanded.

As well, a one year 10 per cent investment tax credit will be available for purchases of new machinery and equipment by small business in farming, fishing, mining, oil and gas, manufacturing, construction and long-haul transportation.

These measures will help those 800,000 private sector small business enterprises which are the engine of economic growth and the major source of job creation in this country.

* * *

VIMY BAND

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, in an attempt to reduce costs, the Department of National Defence is considering relocating the historic Vimy Band currently stationed at CFB Kingston to CFB Borden.

Moving the Vimy Band would require the transfer of 35 military personnel at an estimated cost of $409,500. By comparison, relocating to Kingston the CFB Borden staff would require the expected transfer of eight personnel at a total cost of $96,300. This makes no sense.

Since its founding in 1952, the Vimy Band has been stationed in Kingston. Its ties with the community are very important for Kingston area residents and for the members of this great group of musicians.

If the department is serious about cost savings, look elsewhere. This scheme is ill-founded, ill-conceived and a major upset to the lives of 35 talented and competent musical soldiers.

I urge the department to re-examine this issue very carefully.

* * *

GENERAL AGREEMENT ON TARIFFS AND TRADE

Mr. Scott Thorkelson (Edmonton—Strathcona): Madam Speaker, when the government was bringing in free trade, the opposition parties declared their full support for GATT, the General Agreement on Tariffs and Trade. They said that we should enhance trade through multilateral negotiations.

The Liberal and NDP love GATT except when politics intervene. When it comes to complying with GATT on patent protection for brand name pharmaceuticals bringing our patent protection to the international standard of 20 years, then the opposition is against GATT.

Are the Liberals and the NDP in favour of GATT or not? How would they negotiate complex trade agreements? Will they be for or against GATT next spring when it concludes?

I look forward to learning of their positions.

* * *

VIOLENCE AGAINST WOMEN

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, on Sunday, November 6, the National Day of Remembrance and Action on Violence Against Women, we will remember the Montreal massacre and I will remember the many women in my riding who have been murdered on the streets and officially forgotten.

What action has the government taken for women facing violence? The mini budget provided no job creation, no shelters, and no child care to help women escape violent situations.

Instead, it victimized women with punitive new unemployment insurance restrictions. It announced a 10 per cent cut per year in funds for organizations fighting violence. It cut $136 million from native communities dealing with the pain of violence. These escalating cuts are added to previous $1 million cuts to programs for immigrant, native and poor women.

It is not enough to have more research into violence. It is not enough for government members to wear white ribbons. They must stop hurting women.

* * *

NEW BRUNSWICK YOUTH STRATEGY

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Five years ago in November 1988 an experimental project was initiated between the federal government and the Government of New Brunswick to assist young people in the frequently difficult transition from a school environment to the permanent workplace.

The program was intended to address both those who drop out of school as well as those who were graduating but unable to find a working career path.

The New Brunswick strategy was concentrated through store-front access centres for youth throughout the province where ease of contact would be followed by individual assessment counselling and direction. These new initiatives were designed to complement current labour market training and educational activities.

Through the youth strategy, government at all levels in New Brunswick, the private sector, labour, educators and youth groups worked together to strengthen the links between education and the world of work.

• (1110)

In March 1993 this pilot program will be completing its fifth full year with considerable evidence of success. It represents a combined federal and provincial investment of more than $120 million. Hopefully—

Madam Deputy Speaker: I am sorry, the hon member's time has expired. The hon. member for Haldimand—Norfolk.

* * *

YOUTH

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, the unemployment figures came out today and the news is not very good. The national figure rose to 11.8 per cent for November but the numbers are even more disturbing for the youth of this country.

The youth unemployment figures released today indicate that 438,000 young people do not have jobs. That is 18.4 per cent of Canada's youth. In October 406,000 young people were out of work. In other words, 32,000 more young Canadians have joined the ranks of the unemployed.

Canada's young people have lost confidence. They have lost confidence in what their futures hold and certainly lost confidence in what this government will be doing for them.

The recent Tory economic statement illustrates the government's lack of commitment to Canadian youth who are hoping for some action and a plan for economic growth. Unfortunately Canada's youth see no relief in sight and they have lost hope.

We need to address the problems of youth. We need to make youth issues a priority. In other words, we need a government which can give Canada's young people opportunity—

Madam Deputy Speaker: The hon. member for Peterborough.

* * *

VIOLENCE AGAINST WOMEN

Mr. Bill Domm (Peterborough): Madam Speaker, I am going to read a quotation from a female author involved in a project funded by the Department of National Health and Welfare: "I have a vision. My vision is of a time where women are respected and treated as equals. It is a time where women feel safe in their homes, on the streets and in their places of work. As a mother, it frightens me to think that my daughters, like all women, are vulnerable to abuse and violence by men".

Unfortunately, her vision is far from reality. The Montreal massacre of 1989 showed that violence against women is pervasive.

As we approach the second National Day of Remembrance and Action on Violence Against Women, let us pause to reflect on the damage violence has inflicted upon Canadian women, their families, and society as a whole. Let us resolve today to work toward that vision of true equality because anything less is unacceptable.

* * *

VIOLENCE AGAINST WOMEN

Hon. Audrey McLaughlin (Yukon): Madam Speaker, few of us will forget the pain and horror we felt three years ago on December 6, 1989 when 14 young women's lives were taken in the brutal massacre at l'École Polytechnique.

Our nation grieved and from our grief emerged determination not just to remember but to act, to act to put an end to violence against women and to improve the status of women in our society.

Each year in Canada 100 women are killed in domestic violence. Thousands more are abused physically and mentally. A recent survey showed that over 50 per cent of Canadian women are afraid to walk in the streets of their own neighbourhoods at night and that is a fear many of us understand.

[*Translation*]

We must act. Every one of us must act. We must put an end to fear and to these horrifying statistics. The government must show leadership. That is why I ask the government to reverse this decision to cut grants to women's groups. I ask the government to bring back the Court Challenges Program.

[*English*]

Violence is everyone's responsibility, men and women, in every community in this country.

* * *

NATIVE STUDENTS

Mrs. Ethel Blondin-Andrew (Western Arctic): Madam Speaker, on November 29, 1991, the Minister of Indian Affairs and Northern Development appeared before the Standing Committee on Aboriginal Affairs and stated that self-fulfilment of the aspirations and the destiny of aboriginal persons in this country required many things including opportunity and encouragement, but education was the most important ingredient of all.

The Minister of Finance's economic statement did not exempt post-secondary education funding for native students. This area is already seriously underfunded.

The Blood tribe of Alberta will be forced to defer 358 native students who are eligible for funding this year alone. This is just one example.

Native students across this country are being denied the opportunity to build a future for themselves.

* * *

SMALL BUSINESSES

Mr. René Soetens (Ontario): Madam Speaker, we all know small business is one of the major areas where employment creation can occur in Canada. I want to congratulate the government in its statement the other day recognizing the important role that small business can play.

I am quite pleased with the increase to $250,000 in the limit for the Small Businesses Loans Act and particularly the inclusion of a provision that allows for some of that funding to be used for working capital requirements.

That is an excellent step. I congratulate the government for including a waiver of UI premiums for additional employees hired by small business and also for the tax credits for the purchase of capital equipment so important to the modernization and improvement of the competitiveness of business.

This government knows how important small business is to Canada. It has proven it by its statements in the House in the last few days.

* * *

INTERNATIONAL DEVELOPMENT ASSISTANCE

Mrs. Christine Stewart (Northumberland): Madam Speaker, the government's latest budget once again gives the largest cut, proportionately speaking, to our International Development Assistance Program.

The primary objective of our overseas International Development Assistance Program is poverty alleviation. Mass starvation, low health and education achievements, devastating agricultural practices of four–fifth's of the world's poor contribute directly to the degradation of our global environment.

At the earth summit in Rio this year, our Prime Minister preened, and uttered the following: "Sustainable development is not a slogan; it is a prerequisite of our prosperity and a safeguard of our identity. It is also a standard of our responsibility to humanity". This government's standard of responsibility is abysmal.

This Prime Minister has no credibility. This government has no credibility. At a minimum, let the government acknowledge that effective poverty alleviation and sustainable development are achieved through our non–government organizations.

Respond to the Auditor General's concern about our support to institutions such as the World Bank and Regional Development Banks. Assure no cuts to the budget of our NGOs. Put some credibility into the Rio words of our Prime Minister.

ORAL QUESTION PERIOD

[*English*]

UNEMPLOYMENT

Hon. Jean Chrétien (Leader of the Opposition): Madam Speaker, I would like to ask a question of the Deputy Prime Minister and Minister of Finance.

On Wednesday afternoon when I was listening to the minister, I kept telling myself, these guys just do not get it. I have the proof today: the big increase in unemployment during the month of November. Every working day 4,000 people are added to the unemployment list in Canada; 4,000 persons for every working day.

To face that problem, the minister came in with a public works program of infrastructure that will create 4,000 jobs, not every day of the month, but over a period of two years. We made suggestions regarding the policies of this government of high interest rates, a high dollar, high deficit, municipal infrastructure program and they said no, no, no, no.

If the minister and the government feel they are right, why not tell the Prime Minister to do the right thing and go the Canadian people so that they can decide who is right and who is wrong.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, quite frankly, that is the only suggestion that I heard as I listened to the debate for the last couple of days: Call an election, no details, borrow some more money and spend a lot of it on infrastructure. On what types of infrastructure? Are there programs ready? Nobody really knows. Just throw money at the thing and then walk away.

Well, that is one suggestion and that is fine. There were some other suggestions which I hope that I can elaborate on.

Indeed, I am troubled by the latest unemployment statistics. I know that all members in the House are troubled by them. I ask the hon. Leader of the Opposition to remember one fact and it is that employment has grown in six of the last seven months. There have been 77,000 new jobs created, 104,000 permanent jobs since August. What we have here is one of the largest increases in the work force on record, some 89,000. While there have been jobs created, the growth of the labour force by 89,000 has caused the unemployment insurance figure to go up in percentage terms.

While I know the figure of 11.8 per cent is very disturbing, what is encouraging is that 13,000 new jobs were created in the month of November.

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): Madam Speaker, I have another question for the Minister of Finance.

In the province of Quebec, the unemployment rate has now reached 14.3 per cent.

• (1120)

In November this meant an increase of 1.6 per cent, the highest increase in the number of unemployed workers in Quebec in a single month since employment statistics were first available.

The Minister of Finance has proposed a fantastic project which consists in repairing two bridges in the Montreal area. That is supposed to deal with the problem.

Does the Minister of Finance have any idea of the despair that exists in Montreal and the province of Quebec? Last night, I was in Montreal, and there were for sale and for rent signs all over the place.

When will the Minister of Finance finally understand that this fight against inflation at any price is an absolute disaster? When will he act responsibly to give Quebecers a glimmer of hope and change his economic policies which have been condemned across the country by business people, workers, social groups, in fact everyone? When will the government finally understand that the time has come to change its economic policies?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, I know the hon. member would sort of sneeze at $500 million being invested in infrastructure programs that can commence almost immediately. I think it is important. In addition, there are a number of private sector initiatives that can be undertaken.

I understand the seriousness of the problem, but I can assure the hon. member the steps that we announced in the economic plan on Wednesday are genuine, are real and they will be acted upon with dispatch.

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): The Minister of Finance constantly asks us for suggestions. Yesterday in Montreal I saw the places where Mayor Doré told me he was ready to begin work immediately. I saw the mayor of Laval not very long ago. He told me that he has specific projects on file that would put people to work immediately, two or three days after the government decision.

Why does the government absolutely refuse to accept this proposal from the Canadian union of mayors and municipalities, who are ready to invest one-third in each of these projects? The provincial governments are ready to go ahead, only the federal goverment is blocking it.

Why does the government stubbornly refuse to trust the municipalities, which could put people to work tomorrow morning? .Why does the minister not see the good sense in it?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the fact of the matter is that we are acting. There will be tenders called for improvement to the bridges which are federal government property, $125 million in that particular area, $75 million on another group of transportation priorities, $36 million on the Montreal Port Corporation. All of these things will create a number of jobs and will create economic activity. The total effort will provide a number of new jobs and encourage the engineering and the construction sector. These things are going to start almost immediately.

In addition to that, there are a number of steps that have been taken to stimulate the small business sector incentives, improvements in access to capital, improvements in terms of providing incentives to hire more people; all of these things. The small business sector is very vibrant and alive and well in the province of Quebec. I expect that they will utilize the programs we announced and utilize them very effectively.

[*Translation*]

Ms. Sheila Copps (Hamilton East): In the same vein, Madam Speaker, the minister is directly depriving the unemployed and their families of $2.4 billion.

[*English*]

The minister says the recession is over. In the last week we have heard that 10,000 people at CN have lost their jobs; 2,000 people at Dofasco are going to lose their jobs; 2,500 people at CIBC are going to lose their jobs and GM workers in St. Catharines were delivered another blow, 800 more people to join the ranks of the unemployed. What do hear from the minister of employment? He calls them couch potatoes and accuses them of spending their winters in Florida. He has the nerve to say the unemployed should be proud to assist in paying off the national debt. How can the government make these gross statements and, worse still, how can it take these disgusting actions, these punitive measures against people who are already on their knees?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Madam Speaker, there is a report, admittedly out of the United States, which indicates that under NAFTA the Canadian portion of the auto trade in North America will continue to be very strong, much

stronger than our population would warrant. NAFTA will, of course, help to maintain our auto trade.

I am mentioning the auto trade first because the hon. member mentioned the St. Catharines closing. We have known about the St. Catharines closing. It was announced about three months ago so we have known about that. We are willing to help in any way we can together with the province. It should be pointed out that that is 800 jobs, but 21,000 jobs were announced to be gone in the automotive industry in the United States yesterday.

We are living through a downsizing throughout North America and we are more than holding our own.

Ms. Sheila Copps (Hamilton East): Madam Speaker, that is an awful answer. It certainly does not send any relief to the thousands of Canadians who this week have been told by the government that they are bums, and at the same time have been told by companies that they are no longer wanted.

I ask the Minister of Finance whether he agrees with his colleague, the minister of employment, who said yesterday that many of the employed wanted to collect unemployment insurance so they could spend their winters in Florida.

Does he agree with that patently absurd statement? Is that really why he has taken these punitive measures of taking $2.4 billion directly from the hands of unemployed Canadians who are already begging for work from a government that seems to have no answers?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, much of the savings that will be realized in the actions that were taken will be reappropriated and reallocated toward more training and skills upgrading. Some $3.8 billion will be spent on training and a new initiative will be undertaken with respect to the provision of co-ordinating the demands and the learning skills with the private sector so that there can be better synchronization of filling the job demands in the private sector.

What is being constituted here is a freeze of the average UI benefits. As I indicated in the House yesterday, this is not the first time it has happened. When the Leader of the Opposition was the finance minister, he cut the benefits from 66 and two-thirds to 60 per cent. There was no grandfathering. Both existing and new claimants were covered. He cut a million Canadians. At that time inflation was running at 9 per cent. At that time, the whole unemployment insurance program amounted to $4 billion. He took $935 million out of the program and nobody squawked over there. It was not a tragedy then. It was far more severe, far more serious than it is today. Why the double standard?

Hon. Audrey McLaughlin (Yukon): Madam Speaker, my question is for the Minister of Finance.

I am sure if the former Minister of Finance, now the Leader of the Opposition, would repent, Canadians would be happy if the current Minister of Finance would repent too for his economic statement.

In the last 48 hours three major corporations have announced job cuts across the country totalling over 3,000 jobs. Today Statistics Canada reports that more than 80,000 people are unemployed than last month and that 60,000, three-quarters of them are women.

It is true that we have today the highest number of unemployed in the history of Canada. The measures announced by the minister this week will simply result in a net over-all job loss of 62,000 more jobs.

I want to say to the minister that it is clear that Canadians need to be getting back to work if we are to address the debt and if we are to address the pain across this country.

Will this minister withdraw his economic statement and bring in a policy that will bring hope to Canadians?

• (1130)

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): No, Madam Speaker, because it is an economic plan that is comprehensive, responsible, and deals with the situation as the country is today.

It provides for investment in people. It provides for investment in infrastructure. It provides ways and means to improve our trading performance. It provides for action to contain the deficit.

I believe most objective observers, in the circumstances that we find ourselves in, would find this a very credible plan. I ask the hon. leader of the New Democratic Party, rather than just picking on one or two items,

to look at it in a comprehensive way and maybe she may change her mind.

Hon. Audrey McLaughlin (Yukon): Madam Speaker, the 1.6 million unemployed Canadians will not find the minister's statement, by any objective means, useful to them in their future and what they can see as the future of their children.

[*Translation*]

I would like to ask the Minister of Finance another question. Women are always the first victims of the economic crisis. This morning, Statistics Canada showed that once again.

If the government does not want to answer the appeals from those it calls bleeding hearts, those it accuses of whining, how will it answer the 60,000 more women who are unemployed?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, of course I am concerned about the impact upon women. I am also concerned about what seems to be the position of the New Democratic Party and others in this House that they condone the abuse of the UI system. They not only condone it, they are encouraging it, and aiding and abetting it. I will not be associated with that kind of a position.

Hon. Audrey McLaughlin (Yukon): Madam Speaker, the government has made it very clear they do not care about the unemployed of this country. They are not prepared to bring in policies to address the most serious job crisis in the history of Canada.

The minister and members of the government talk about bleeding hearts. Yesterday the Minister of Employment and Immigration said in this House that if a woman is being sexually harassed, "she should just quit her job." This is being outrageously insensitive. The minister has displayed a complete lack of understanding of the labour market and of the problems that working people have in the labour market.

I want to say to the Deputy Prime Minister, when his government is making statements like that which deny the realities of the work life, will he ask that minister to resign and will his government apologize to the women of Canada?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): No, Madam Speaker, because the outrageous statement of the leader of the New Democratic Party and the outrageous statements of the president of the New Democratic are absolutely and totally uncalled for. The hon. leader of the New Democratic Party should ask for the resignation of her president.

* * *

SEXUAL HARASSMENT

Ms. Mary Clancy (Halifax): Madam Speaker, my question is for the Deputy Prime Minister. The government insists that sexual harassment is just cause for those who quit their jobs voluntarily, but a search of the court decisions shows this is just not so. Indeed, a handbook on unemployment insurance appeals admits that just cause is extremely hard to prove.

I ask the Deputy Prime Minister why will he not set out a definition of sexual harassment as just cause, and do it today?

Hon. Pierre H. Cadieux (Minister of State (Fitness and Amateur Sport) and Minister of State (Youth) and Deputy Leader of the Government in the House of Commons): Madam Speaker, I think my colleague, the Minister of Employment and Immigration, yesterday stated clearly that sexual harassment is just cause to leave employment and that the UI department has been dealing with such cases for years.

I would recall to the hon. member that sexual harassment was included in the legislation, Bill C-21, as just cause for leaving a job; a bill that the opposition delayed for over one year.

Ms. Mary Clancy (Halifax): Madam Speaker, there are delays and delays. I was here and I am proud of it. However, there are other outrageous matters that this government deals with. It does not take care of its own public servants.

[*Translation*]

My next question is for the Deputy Prime Minister.

Yesterday the minister of employment said that it was time for a government with enough "balls" to face reality.

Now it is clear why the government just does not understand the serious issue of sexual harassment.

Will the government change the definition of "just cause" today?

[*English*]

Hon. Pierre H. Cadieux (Minister of State (Fitness and Amateur Sport) and Minister of State (Youth) and Deputy Leader of the Government in the House of Commons): Madam Speaker, if I understood the hon. member correctly, she said she was proud to have delayed Bill C-21 for over a year, therefore denying benefits to the unemployed at that time.

[*Translation*]

On the specific question, it is quite obvious that if opposition members read the finance minister's economic statement, besides having listened to it off and on, they would of course realize that there is no change with respect to sexual harassment. On the contrary, the situation is the same before, during and after the statement.

[*English*]

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, my question is for the Deputy Prime Minister. It follows up on a question by my colleague, the hon. member for Hamilton East.

It concerns his colleague, the Minister of Employment and Immigration who yesterday, when asked about his plan to force women to put up with sexual harassment on the job by effectively taking away the possibility of UIC, said that these people have to pay their way. He stated: "These people want to spend the winter in Florida."

Did the Deputy Prime Minister agree with the Minister of Employment and Immigration when he said that, and if not, what action will the Deputy Prime Minister take against the Minister of Employment and Immigration?

Hon. Pierre H. Cadieux (Minister of State (Fitness and Amateur Sport) and Minister of State (Youth) and Deputy Leader of the Government in the House of Commons): Madam Speaker, the Minister of Employment and Immigration clearly indicated in this House yesterday that people who quit their jobs for causes such as sexual harassment are still entitled, after the economic statement as they were before, to UI benefits. The situation has not changed and we do not expect it to change.

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, my question is for the Deputy Prime Minister who is very selective in the things that he quotes with regard to the economy. He knows full well that when he referred to the Leader of the Opposition, unemployment was at 7.4 per cent and growth was at 3.9 per cent.

I want to ask the Deputy Prime Minister if he has the guts to stand in his place and indicate to the people of my district who have an unemployment rate of 20.9 per cent, what he is going to do for those individuals in that disadvantaged region of the country. What programs is he going to put in place to get them back to work, or is he going to continue to kiss up to the multinational corporations?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, it is quite obvious that this member not only condones the abuse of the UI system but is encouraging it and promoting it. That is exactly the purport of his question.

What are we doing? In my statement I indicated that we were going ahead with a microwave landing system. That happens to affect an important organization in his district. It will create jobs and economic activity. It is an industry of the future.

The adjustment from coal mining and the other industries that are becoming outdated, under the training program—

Mr. Dingwall: You are on dope.

Mr. Mazankowski: The hon. member suggests that I am on dope.

Some hon. members: Withdraw.

Some hon. members: Order, order.

Madam Deputy Speaker: Order, please. I did not hear. The hon. minister may conclude.

Mr. Mazankowski: Madam Speaker, in a very eloquent speech by his colleague, he praised the federal government for the actions that we were taking on the infrastructure and the improvement of the airport system, particularly the microwave landing system which is going to have an effect on his particular region.

Some hon. members: Oh, oh.

Madam Deputy Speaker: Order, please.

• (1140)

AGRICULTURE

Mr. Rod Laporte (Moose Jaw—Lake Centre): Madam Speaker, my question is for the Minister of Finance.

At a time when western Canadian farmers are experiencing some of the lowest prices in agricultural history, it would seem appropriate that the federal government would want to do everything in its power to assist farm families struggling to survive.

It is ironic that the federal government is intent in doing just the opposite. Farmers were deeply shocked at the recent announcement that 10 per cent of the Crow benefit will be eliminated. It will take $40 million out of Saskatchewan farmers' pockets alone at a time when they can least afford it.

Can the minister explain how this government can justify adding yet another additional blow to the economic and human suffering of western Canadian farm families?

Hon. Bill McKnight (Minister of Agriculture): Madam Speaker, in the economic plan that was put forward by my colleague, the Minister of Finance, there was a reduction in expenditures of some $8 billion. There were reductions in every area, in grants and contributions, of 10 per cent.

Those reductions will apply in the agriculture sector. It is a very difficult thing for governments to do, but the necessity of reducing those expenditures has to be shared with every one.

One thing the hon. member should understand is that the farm safety nets, GRIP and NISA, cash flow enhancements have been left intact and will be there to continue to assist the agriculture sector across Canada.

Mr. Rod Laporte (Moose Jaw—Lake Centre): Madam Speaker, this government knows that just as it has destroyed the fishing industry in Atlantic Canada and Newfoundland, it is doing the same with agriculture producers in rural Canada.

For example, there has been a lot of concern over the impact of the export enhancement program which the United States has been using to force its way into traditional Canadian markets and the failure of the Canada–U.S. Free Trade Agreement to properly protect Canadians farmers in this area.

I would like to ask the Deputy Prime Minister this. We all know that the Liberals have completely caved in with their opposition to the free trade agreement with Mexico and the U.S.. Why has this government caved in on the Crow benefit, while at the same time signing the NAFTA agreement that will allow the United States to raid traditional Canadians markets with its destructive export enhancement program?

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, the hon. member has to realize that there are some facts that he cannot dispute, that agricultural trade with the United States has increased 30 per cent since the signing of the free trade agreement with the United States. That puts benefit in his constituency, mine and every agricultural constituency in Canada.

The hon. member also has to recognize that there are new realities in agriculture, value added, sustainability and the ability to develop. His colleague in the province of Saskatchewan, the minister of economic development, continues to talk about it.

If the New Democratic Party wishes to assist agriculture in Canada, there are two things it can do. It can pass the farm credit legislation that allows all rural Canada to take advantage of farm credit legislation. Also, it can pass the check–off legislation that the farm community wants so that they are able to support themselves with check–offs and enter into this new real world.

The farm community, the agricultural sector of our economy, wants to do that. They want to go ahead. Will the New Democratic Party help them?

Madam Deputy Speaker: I think we have to go on. The hon. member for York North.

* * *

UNEMPLOYMENT

Mr. Maurizio Bevilacqua (York North): Madam Speaker, my question is for the Minister of Finance, the only person left in Canada who thinks that the recession is over.

The unemployment statistics released today are further evidence that we face a serious national employment crisis. The unemployment rate now stands at 11.8 per cent, which means that almost 1.7 million Canadians are unemployed. The minister must admit that the reason why these people are unemployed is because his

economic plan is simply not working. It is time for change.

When will he introduce a plan that will put Canadians back to work?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, I did indicate in an earlier response that I was troubled by the increase in unemployment rates from 11.3 to 11.8 per cent.

I remind the hon. member that there has been an increase in employment in six of the last seven months for a total of 77,000 new jobs, 13,000 new jobs in the month of November. Since August 104,000 permanent jobs have been created. I think what has to be noted here is that the labour force grew very dramatically, the biggest improvement on record, some 89,000.

Having said that, we have announced a number of initiatives in the economic plan that I outlined, initiatives which invest in growth, invest in people, invest in more effective trade, in an infrastructure and in new partnerships that have to be forged if we are to deal in an effective way with the newly emerging economy and to deal with the displacement of workers.

Madam Deputy Speaker: I think the hon. minister will have the opportunity to elaborate on a supplemental.

Mr. Maurizio Bevilacqua (York North): Madam Speaker, it is clear that this government does not understand the real problems faced by real people. The two groups hardest hit in today's unemployment numbers are women and youth, the exact same people who have the most to lose from the measures taken by this government.

Given that 60,000 women lost their jobs in November and there are over 438,000 unemployed young people, the future of this country, when will the government do its duty and help these people?

Hon. Pierre H. Cadieux (Minister of State (Fitness and Amateur Sport) and Minister of State (Youth) and Deputy Leader of the Government in the House of Commons): Madam Speaker, I take issue with the premise of the question where the hon. member identifies two groups that have most to lose. I think we are dealing with a global situation in Canada.

The Minister of Finance has recognized, as everybody here will recognize, that effectively the rate of unemployment is too high. We all agree with that and that is why we are taking those measures in order to deal with it.

The economic statement of the Minister of Finance is to do exactly that, to create 300,000 new jobs in 1993, to give incentives to small business which is the motor of the economy in order to create those new jobs for youth and women, et cetera, and to create new jobs in research and development. The leader of the hon. member's party when he speaks in Montreal forgets to mention that he is opposing legislation that will help Montreal.

Madam Deputy Speaker: It would be appreciated if on both sides of the House preambles in questions and answers would be shorter.

* * *

LANGUAGE AND SKILLS TRAINING

Mr. Lyle Vanclief (Prince Edward—Hastings): Madam Speaker, my question is for the Minister of Finance who honestly must know the recession is not over.

Money in language and training skills for the province of Ontario was scheduled to be split between the employment offices and local training advisory boards. These local training advisory boards will not be in place in 1993.

Could the minister assure this House today that the $30 million allocated for local boards will be available through the employment centres as it has in the past?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, I do not have an answer to that question at the moment. I wonder if I could take it as notice and get back to the hon. member as soon as I can.

Mr. Lyle Vanclief (Prince Edward—Hastings): Madam Speaker, my supplementary question is on the same subject and for the same minister.

I want to inform the government and the minister that the minister's staff cannot answer that question either. We have attempted to get an answer.

That means $765,000 and 85,000 hours of training at Loyalist College in my area alone. I would appreciate it if the minister could get both the answer for Canadians and the answer for those training facilities, to find out if that money will be available in 1993.

Hon. Pierre H. Cadieux (Minister of State (Fitness and Amateur Sport) and Minister of State (Youth) and Deputy Leader of the Government in the House of Commons): Madam Speaker, as the Minister of Finance has just indicated, we will provide the information. I will personally make sure the minister's staff gets the information and it is provided to the hon. member.

* * *

VIOLENCE AGAINST WOMEN

Mr. John Brewin (Victoria): Madam Speaker, Sunday, December 6, is the national day of remembrance of the tragic massacre of the 14 young women at the Ecole Polytechnique in Montreal in 1990. We all have a responsibility to act to end violence against women.

Will the government acknowledge that rising unemployment contributes to violence against women, that the stress of living below the poverty line contributes to violence against women, and that the strain of hanging on to a job in the face of harassment and discrimination will add, not subtract, to violence against women?

• (1150)

Will the government, at the very least, restore the cuts announced this week to organizations that are confronting violence against women and providing support for the victims of violence against women?

Hon. Shirley Martin (Minister of State (Transport)): Madam Speaker, we are reaching an anniversary of a very tragic occurrence in Montreal, Quebec. The Minister responsible for the Status of Women, as she mentioned earlier this week, has said that while substantial efforts have been made toward addressing violence against women, much work remains to be done to change the attitudes and the behaviours which give rise to violence within our society.

Each of us has a responsibility to break the silence and to act to deter incidents of physical and psychological abuse of women.

* * *

SEXUAL HARASSMENT

Mr. John Brewin (Victoria): Madam Speaker, my supplementary question is for the minister of state who is answering on behalf of the minister of employment.

A spokesperson for the employment department, Richard Fix, yesterday said that a woman must offer evidence to prove her case of sexual harassment or abuse in the workplace if she is to receive unemployment insurance. I quote: "For someone to quit their job it would have to be fairly serious sexual harassment and there would either be witnesses or there would be some sort of method of being able to prove the situation".

Will the minister outline to the House very specifically what instructions are being given to the front-line workers in Employment Canada to accept statements by claimants that they have been sexually harassed?

Hon. Pierre H. Cadieux (Minister of State (Fitness and Amateur Sport) and Minister of State (Youth) and Deputy Leader of the Government in the House of Commons): Madam Speaker, as I indicated earlier, the concept of sexual harassment with just cause was included in Bill C-21 for the first time, which hon. members of the opposition opposed for one year.

That being said, it is a recognized cause to quit employment. The minister has indicated that yesterday. That was in place before the economic statement, during, and it is still in place at this time. The minister also indicated very specifically on a number of occasions that the benefit of the doubt is given to the person making the complaint. That will continue.

* * *

AGRICULTURE

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Madam Speaker, my question is for the Minister of Agriculture and concerns delays in crop insurance settlements within the province of Saskatchewan.

It seems that the media and others are suggesting to producers that the fault lies with the federal government, but the fact is that under federal-provincial

agreement the delivery and administration of crop insurance appear to be entirely a provincial matter.

Could the Minister of Agriculture possibly clear up the confusion that appears to exist in relation to these crop insurance settlement claims within the province of Saskatchewan?

Hon. Bill McKnight (Minister of Agriculture): Yes, Madam Speaker, it is unfortunate that Saskatchewan is the only province that has not seen fit to react rapidly to the difficult year we have had in agriculture.

Every province, although it is a joint cost shared program, administers directly the crop insurance program. Crop insurance cheques are available in other provinces, particularly our sister provinces of Manitoba and Alberta. I asked the minister in Saskatchewan some six weeks ago to try to facilitate an immediate response to the needs. There is a crop insurance program in Saskatchewan based on fixed cost and market price. That is in the contract.

Farmers are familiar with market price. That means they will know the price at the same time as they will know the final payment for the crop year. Therefore I encourage the province of Saskatchewan and its administration of crop insurance to facilitate the needs of farmers. The money is available. They have the authority. Please send it out.

* * *

[*Translation*]

FORESTRY

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, my question is for the Minister of Forestry.

On June 29 the Conservative minister and member for Rimouski—Témiscouata announced a major project for a model forest in east central Quebec. In the past 12 months, Quebec has never revealed its true intentions on what it would like its role to be in this project, which is now at a stage where they should announce their intentions.

Can the minister tell me today whether a positive decision will be made before Christmas, because I have the feeling that by his refusal, the Quebec minister, Albert Côté, is penalizing Quebec forestry, tourism and environmental associations, regional municipalities, the University of Quebec in Rimouski and workers in eastern Quebec?

Mr. Michel Champagne (Parliamentary Secretary to Minister of Forestry): Madam Speaker, my colleague raised a very important question. Yes, Quebec has known about a model forest. Since October 1991, we have been working through exchanges between the Minister of Forestry and his Quebec counterpart on implementing this very important project for the community.

I would simply remind the member that on our side, we have worked very hard so that the project can start as soon as possible. We are having discussions that should lead next week to an agreement which I hope will be favourable for all concerned. I hope that the Quebec minister of forestry will be sensitive to the development of his region and the development of private forests in Quebec.

* * *

[*English*]

ECONOMIC STATEMENT

Mr. Sergio Marchi (York West): Madam Speaker, my question is for the Minister of Finance. He knows that the mini budget did precious little for the province of Ontario.

In response to my specific question on this matter yesterday in the House he said: "You cannot have an NDP government in Ontario that is anti-business and expect them to create jobs".

We all realize that the NDP government at Queen's Park has been a complete bust, but why does the minister believe that provincial incompetence on the economy in Ontario should be emulated by the federal government?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, very simply because the provinces have an important role to play in the direction of the economy as well. They spend more money on behalf of the taxpayers of Canada than the federal government.

Today I am disturbed to note that Ontario is going to raise taxes further still. That will not augur well for jobs. That will not augur well for the business community to create new economic activity.

Again today *The Globe and Mail* in a featured article said this about the role of the provinces: "One of the most disruptive features of the past few years has been the damage done to the private sector by provincial governments and their agencies which borrowed record amounts of money abroad. They helped push the Canadian dollar into unsustainable levels and destroyed many jobs".

Mr. Sergio Marchi (York West): Madam Speaker, Ontarians have an incompetent government at Queen's Park and a do-nothing government in Ottawa. What do they expect Ontarians to do?

Ontario has historically been a leading spark plug for the Canadian economic engine and it is being allowed to wither away irresponsibly. While the government may be prepared to write off Ontario politically, when will it be responsible to the nation's economic best interest and seriously attempt to stimulate the Ontario economic sector?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, we are trying desperately to offset the disruptive, destructive policies of the Ontario government. It goes beyond this NDP government because its spending goes to the root of the debt problem. The foreign debt problem that I was talking about rose by 10.5 per cent per year between 1984 and 1992 while the federal government's expenditures rose at the rate of 4 per cent per year.

That is what has been driving up our international debt. That is what has been putting pressure on interest rates and that is what has been putting pressure on the dollar. The hon. member should know that. We have taken steps to stimulate the manufacturing and processing sector. We are reducing taxes, not raising taxes.

Madam Deputy Speaker: We will try to get a few more questions in.

* * *

SOMALIA

Mrs. Christine Stewart (Northumberland): Madam Speaker, my question is for the Secretary of State for External Affairs.

The UN Security Council has approved a U.S. led enforcement action to Somalia to guarantee delivery of aid to hundreds of thousands of Somalians, victims of starvation and armed gangsters.

We welcome the fact that humanitarian needs are seen to merit such action. Canada has been asked to participate in this operation and Canadians want to know what is the government's recommendation to Parliament.

Will the government guarantee an emergency parliamentary debate to discuss the nature of Canada's involvement before any final decision is made by the government?

• (1200)

Hon. Barbara McDougall (Secretary of State for External Affairs): Madam Speaker, there is no question that the resolution that was passed yesterday in the Security Council is a serious one. We have been approached to participate and I will be making an announcement on that shortly.

It is, of course, an announcement that will reflect a decision by the government. I understand that House leaders will be talking about a potential time for a discussion in Parliament as to the implications of that decision. The decision will be announced very shortly.

* * *

ABORIGINAL HOUSING

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, last year the Auditor General reported that much of Canada's aboriginal housing is overcrowded and unsuitable. We know these conditions lead to serious health and social problems, diseases, domestic violence, sexual abuse, alcoholism and suicide problems, which the government is spending hundreds of millions of dollars to address.

My question for the Minister of Finance is this: Why did he not in his financial statement invest in upgrading aboriginal housing when he knows that housing construction is the most labour-intensive investment of public money that can be made? It would create jobs in aboriginal communities where unemployment is extremely high. Further, the availability of decent housing would reduce the social problems that cause the tremen-

dous demand on our welfare and health budgets, and in fact contribute to reducing the deficit.

Why, instead, did the minister cut another $136 million from the program of Indian affairs?

Hon. Shirley Martin (Minister of State (Transport)): Madam Speaker, housing is very important to our aboriginal people in this country. For that reason we have had a 34.2 per cent increase in the funding of moneys to be spent for aboriginal housing in this country. We are continuing to increase the number of houses that are being built and we will work with our aboriginal communities to ensure that this is done.

Madam Deputy Speaker: I would have liked to have had more questions today. There are two single questions that I would have liked the House to hear. Unfortunately we do not have any more time. I realize that there are two members who had asked but with all the disorder we have had today we just do not have the time.

On a point of order, the hon. government House leader.

* * *

POINTS OF ORDER

COMMENT DURING QUESTION PERIOD

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, during the course of Question Period there was a question directed to the Minister of Finance by the member for Cape Breton—East Richmond. While the Minister of Finance was answering, the member for Cape Breton—East Richmond shouted out loud enough for everyone here to hear that the minister must be on dope.

I think that is uncalled for, unparliamentary, and not in keeping with the traditions of this House. I would ask the hon. member to withdraw that remark.

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, you will know and the Chair will know that the words which I used are not unparliamentary. They are not contained in any of the lists of words which are used. However, in view of the respect that I have for the Chair, if the Chair deems it to be appropriate I will gladly withdraw.

While I am on my feet, Madam Speaker, I would hope that the Minister of Finance would avail himself of this opportunity because on two repeated occasions he imputed that members on this side were abusing and facilitating the abuse of the unemployment insurance.

I will withdraw my remarks and at the same time I hope the Minister of Finance will do the same.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): I did not accuse the hon. members opposite of abusing the unemployment insurance program. I said that they were not only condoning but they were indeed promoting others to do that.

Mr. Rod Murphy (Churchill): Madam Speaker, what the minister said during Question Period may not have imputed motives, but what he just said now does impute motives to the opposition in this House. We are not condoning, we are not promoting the abuse. What we are condemning is the government's heartlessness.

I would suggest that unless the minister withdraws that remark that we do check to make sure he has not abused the privileges of members of this House.

Madam Deputy Speaker: If we go back, the hon. government House leader reminded the House of something that was said during Question Period which the Chair did not hear. The hon. member for Cape Breton—East Richmond answered that even though the word was not in the book as being unparliamentary, I think that with his experience in the House he will know that when it causes disorder, the Chair is more than likely to qualify the word as unparliamentary. I appreciate the fact that the hon. member did withdraw.

Taking the suggestion of the hon. member for Churchill, should we, after rereading the "blues" see that there is anything wrong with the minister's statement, we will bring it back to the House. Is that agreed?

Some hon. members: Agreed.

Mr. Steven W. Langdon (Essex—Windsor): Madam Speaker, Beauchesne makes very clear in his discussion of Question Period that questions are supposed to be posed which deal with the responsibilities of the government of the country.

There has come to be a habit on the part of the government of the country and the loyal opposition of recreating debates and arguments from Queen's Park in Toronto.

An hon. member: Oh, oh.

Mr. Langdon: I wonder, Madam Speaker, if you would rule that if there are questions that this government wishes to raise, we here would be quite pleased to answer them and should be given a chance to do so, especially given the fact that the unemployment figures that came out today, while they showed a 5.5 per cent increase across the country, showed a significant decrease in the province of Ontario.

Madam Deputy Speaker: The hon. member is making a debate out of what is supposed to be a point of order. I do not think that we will get into a debate of that nature at this time.

Hon. Doug Lewis (Solicitor General of Canada): Madam Speaker, I would like to say, on behalf of the government, we understand our hon. friend's embarrassment at what is going on at Queen's Park and we would in no way want to enlarge upon what is happening to him and his party.

Madam Deputy Speaker: The hon. member for York West. Is it on the same subject?

Mr. Sergio Marchi (York West): Yes, Madam Speaker, it is on the same point of order.

I think the member from Windsor undermines my privileges in this House as a member of Parliament from Toronto. My constituents cannot get any leadership from Queen's Park or from Ottawa. I believe I have a right to represent their aspirations in this House.

Madam Deputy Speaker: The Chair has already ruled on that situation and we will go on with the daily routine of business.

ROUTINE PROCEEDINGS

[*Translation*]

INTERNATIONAL ASSEMBLY OF FRENCH-SPEAKING PARLIAMENTARIANS

PRESENTATION OF REPORT OF ACTIVITIES OF CANADIAN SECTION

Madam Deputy Speaker: Pursuant to Standing Order 34, I have the honour to present to the House, in both official languages, the activity report of the Canadian section of the International Assembly of French-speaking Parliamentarians, on the meeting of the International Bureau of the AIPLF in Luxembourg from September 3 to 6 this year.

* * *

[*English*]

BILL C-91

REPORT OF LEGISLATIVE COMMITTEE

Mr. René Soetens (Ontario): Madam Speaker, I have the honour to present, in both official languages, the report of the legislative committee on Bill C-91, an act to amend the Patent Act, to amend another act in consequence thereof, and to provide for other related matters, with an amendment.

I have had the privilege of serving on many committees over my four years in Parliament and I would like to pay particular thanks for the support I received from the Legislative Council Office, the research branch of the Library of Parliament and the clerk's office. This was a very difficult bill and a very difficult process in committee. I can assure you, Madam Speaker, that they were all very supportive.

I would like to comment that as a member of Parliament I always thought legislative committees were the places where we as members could do our most important function on behalf of our constituents. It was a good opportunity to review the legislation and to address the many concerns that can be raised by witnesses and by our own individual constituents.

I believe, as chairman of the committee, that we wasted at least five days of activity that were less than productive. There were more witnesses that wanted to speak and I believe there were many people that we could have—

• (1210)

Madam Deputy Speaker: On a point of order, the hon. member for Victoria.

Mr. Brewin: Madam Speaker, the member knows well that in introducing this report, the rules do not provide an opportunity for other members of the House to make any comments on the report whatever.

When he begins verging into comments for which there are in fact very substantive answers which engender debate, it seems to me he is going beyond the rules of the House and that either you rule him out of order immediately before he proceeds any further along that line or you indicate that we will have an opportunity to answer the comments that he makes.

Madam Deputy Speaker: I thank the hon. member for Victoria for his remarks. I was listening very carefully to the hon. member for Ontario. At first I thought he was giving a very short report, which is done, but I was just about to do exactly what the hon. member wishes me to do, which is to tell the hon. member for Ontario that he was really out of order at that time.

I think we will go on and the report will be tabled.

Mr. Soetens: Madam Speaker, I only had one more sentence.

Madam Deputy Speaker: We will go on without that sentence.

* * *

HOUSE MANAGEMENT

57TH REPORT OF STANDING COMMITTEE

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I have the honour to present the 57th report of the Standing Committee on House Management.

* * *

SCRUTINY OF REGULATIONS

EIGHTH REPORT OF STANDING JOINT COMMITTEE

Mr. Derek Lee (Scarborough—Rouge River): Madam Speaker, I have the honour to table the eighth report of the Standing Joint Committee on Scrutiny of Regulations.

In this report the joint committee draws the attention of the Houses to regulations which the committee believes to be *ultra vires* of the act, that is regulations made without jurisdiction. The alleged defects were caused, it appears, by ambiguity in the English version of section 23(d) of the Territorial Lands Act. The ambiguity does not exist in the French version.

The report recommends that the government introduce a legislative amendment to clarify the scope of the power delegated by section 23(d) and it includes a request for the tabling of a comprehensive report by the government. Until that occurs the government should be cautious in using or relying on these particular regulations.

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

* * *

[*Translation*]

SMALL BUSINESSES LOANS ACT

MEASURE TO AMEND

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)) moved for leave to introduce Bill C–99, an act to amend the Small Businesse Loans Act and another act in consequence thereof.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Hockin moves that the bill be now read the first time and printed.

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

Bill read the first time and ordered to be printed.

* * *

[*English*]

CANADA POST CORPORATION ACT

MEASURE TO AMEND

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso) moved for leave to introduce Bill C–381, an act to amend the Canada Post Corporation Act (post office closures in rural areas).

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. LeBlanc (Cape Breton Highlands—Canso): Madam Speaker, several rural post offices in my riding have been closed by Canada Post as part of its rural conversion program. With this policy, Canada Post has weakened its commitment to mail delivery in the rural and isolated regions of Canada. I want to change that.

The purpose of my bill is to modify the mandate of Canada Post Corporation in two ways. First, this bill would broaden how Canada Post must deliver its services. People in all regions of Canada must receive similar service, but instead of just considering the comparable size of communities, Canada Post would now have to consider regional characteristics. A town's proximity to other communities and services and its regional economic conditions are important defining factors which Canada Post has so far refused to acknowledge.

Second, my bill would include within Canada Post Corporation's mandate the goal of maintaining an existing post office in communities where it is one of the few remaining federal symbols. The traditional post office is for many communities their last link to a distinct federal government and one which they want to keep. I am proud to present this bill before the House today and call upon members from all sides to support it.

Madam Deputy Speaker: Mr. LeBlanc (Cape Breton Highlands—Canso) moves that the bill be now read the first time and printed.

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

Bill read the first time and printed.

* * *

PRIVATE BILL

UNITED GRAIN GROWERS LIMITED

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Madam Speaker, I would seek leave to move a motion that this House receive a late petition for a private bill. The motion is as follows:

> That, notwithstanding the provisions of Standing Orders 132 and 140, the petition for a private bill from United Grain Growers Limited presented on Tuesday, December 1, 1992 and reported on by the clerk of petitions on Wednesday, December 2, 1992 be deemed to have been filed within the required time limit and received by this House.

Madam Deputy Speaker: Is there unanimous consent of the House to move the motion?

Some hon. members: Agreed.

Madam Deputy Speaker: The Chamber has heard the motion. Does the House wish to adopt the motion?

Motion agreed to.

* * *

PETITIONS

THE ENVIRONMENT

Mr. Mac Harb (Ottawa Centre): Madam Speaker, this petition is signed by a number of constituents in my riding who believe that managing our activities within a global environment is a shared responsibility with no geographical, cultural or political boundaries. They also believe our healthy future is the responsibility of all Canadians and their government in a growing concern for the environment to unify this country.

Therefore, they are calling on Parliament to urge the government to prepare a comprehensive paper which provides a contextual and tentative framework embracing the relationship among the environment, the economy and the Constitution so that Canadians can discuss in a unified way their importance to our future health and prosperity.

SOFTWOOD LUMBER

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, I have three petitions to present today. The first is from a number of my constituents who note that the United States has unfairly imposed a duty on our softwood lumber exports to that country and has engaged in other trade practices which amount to harassment of Canadian producers.

They also note the free trade agreement between Canada and the United States has resulted in lost jobs and devastation of the Canadian economy without providing the promised benefits. They therefore call on Parliament to take whatever action is necessary to defend the interests of the Canadian softwood lumber industry against the unfair duties and also to request that Parliament act immediately to affect the cancellation of the Canada–U.S. Free Trade Agreement.

TELECOMMUNICATIONS

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, my second petition relates to the Canadian telecommunication network. The petitioners note it is one of the country's great accomplishments and it is vital to Canadian unity and economic development.

They also note that 98 per cent of Canadian households have telephones. They are concerned that deregulation could result in the erosion of services and affordability that has happened in the United States. They therefore call on Parliament to overturn the decision of the CRTC in allowing long distance telephone competition and request that the Government of Canada make a firm commitment to exclude Canada's telecommunication system from the North American free trade agreement.

[*Translation*]

REQUEST FOR ELIMINATION OF VIOLENCE IN OUR SOCIETY

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, I would like to table a petition from Val-d'Or. Your petitioners humbly state that films depicting violence on television are dangerous and unacceptable because they encourage further violence. They say that freedom of the press should be restricted when reporting acts of violence. Repeated reporting of acts of violence on all television channels and on radio may encourage similar acts of violence.

Wherefore your petitioners humbly pray and call upon Parliament to pass legislation dealing with the above, to wipe out violence in our society, protect our children and guarantee everyone in this country a better quality of life.

SOMALIA

Mr. Jesse Flis (Parkdale—High Park): Madam Speaker, pursuant to Standing Order 36, this petition is certified correct as to form and content.

• (1220)

[*English*]

The residents who signed this petition are Canadians of Somalian descent who are now permanent residents of Canada and Canadian citizens. They are appealing to Parliament to urge the government to speed up the processing of family reunification by posting additional immigration officers in Ethiopia and Kenya with instructions to carry out requisite checks but waive waiting periods because of the unusual circumstances involving hardship and suffering.

The family class and dependent relative members in Somalia and adjacent countries, Somalia being in the grip of civil disturbance and acute famine, are leaving relatives in limbo in Ethiopia and Kenya and enduring wretched conditions while sponsorship takes two or three years which adversely affects their stability.

BILL C-268

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, I have the honour to present a petition from a number of residents of Canada who wish to designate a day of recognition of Canada's aboriginal inhabitants to honour native cultures. June 21 is the most appropriate day to recognize our First Nations. Therefore, they call upon Parliament to enact Bill C-268, an act respecting a national solidarity day for the first nations of Canada.

YOUNG OFFENDERS ACT

Mr. Jim Hawkes (Calgary West): Madam Speaker, I would like to present a petition to the House today with close to 9,000 signatures from Alberta and British Columbia. The petition is signed in honour of the memory of Ryan Garrioch and petitions the House to make further changes to the Young Offenders Act that need to be made in light of recent history.

CANADA RACE RELATIONS FOUNDATION

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Madam Speaker, pursuant to Standing Order 36, I have the honour to present a petition from residents of Kamloops, Walhachin and Montrose, British Columbia.

The petitioners want to draw the attention of the House to the fact that the Canada Race Relations Foundation was announced as part of the Japanese Canadian redress settlement. The Race Relations Foundation was to be funded by an endowment of $24 million, $12 million coming from the Japanese community.

The petitioners are calling up on Parliament to urge the government to consider the advisability of establishing the Canada Race Relations Foundation this fiscal year.

WATER DIVERSION

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Madam Speaker, I have the pleasure to table in the House today, under Standing Order 36, a petition signed primarily by the residents of Valemount, B.C. in my riding who are concerned about the whole question of water exports to the United States.

They have reason to be concerned because a water diversion project just south of that community is currently under consideration. These petitioners encourage and hope that the Canadian government will ensure that there will not be any large scale diversion of water to the United States.

WESTRAY MINE

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Madam Speaker, pursuant to Standing Order 36, it is my privilege and honour to present a large number of petitions calling upon Parliament to encourage the Governor General of Canada to recognize the bravery of the draegermen who sought to recover the bodies of the 26 miners who were trapped in the tragic explosion of May 9 in the Westray in Nova Scotia.

Shortly after that explosion, I wrote to the Governor General asking him to confer these medals of bravery. My request was supported by my colleague, the hon. member for Cape Breton—East Richmond, in whose constituency many of these draegermen reside.

Since that time under the leadership of Shirley Day Comish, the wife of one of the draegermen, and with the assistance of the Tim Horton stores across the province of Nova Scotia, a large number of petitions were collected calling upon the Governor General to confer these medals of bravery as quickly as possible.

I am pleased to present these petitions to the House of Commons today.

BILL C-268

Mr. Rod Murphy (Churchill): Madam Speaker, I have a petition which I am very happy to present to the House of Commons.

A number of residents of Canada have signed this petition to draw the attention of the House to the fact that they wish to designate a day of recognition of Canada's original inhabitants to honour native cultures.

Therefore, they call upon Parliament to enact Bill C-268, an act respecting a national solidarity day for the first nations of Canada.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Madam Speaker, I am pleased to present a petition on behalf of a number of Canadians mostly from Manitoba.

These Canadians wish to designate a day of recognition for Canada's original inhabitants to honour our native cultures and suggest that June 21 is an appropriate day to recognize our first nations.

They call upon Parliament to enact Bill C-268, an act respecting a national solidarity day for the first nations of Canada.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Jim Edwards (Parliamentary Secretary to Minister State and Leader of the Government in the House of Commons): I ask, Madam Speaker, that all questions be allowed to stand.

Madam Deputy Speaker: Shall all questions stand?

Some hon. members: Agreed.

[*English*]

Mr. Dingwall: Madam Speaker, on a point of order with regard to an exchange in Question Period which I would like to raise with the parliamentary secretary to the government House leader.

It concerns a situation by the United Nations Security Council to send a U.S. led military force to Somalia and the request which was made by my colleague to the minister to seek an emergency debate.

I think some letters have been exchanged by the critic from the Official Opposition and the minister responsible. The minister did say in the House that House leaders would be having subsequent discussions. In view of the parliamentary calendar which is to come to a close on December 11, I am wondering if the parliamentary secretary could take under advisement the suggestion that perhaps Monday evening of next week there might be a disposition for us to have a debate on this important

subject matter which I think might enjoy the support of all members of the House.

I do not wish to prejudge the House in any way but I am wondering if the parliamentary secretary could take that under advisement and perhaps either later this day or early on Monday indicate whether we could have a consensus on proceeding to an emergency debate on that important matter.

Mr. Edwards: Madam Speaker, I think what my hon. friend is asking for is a two-track process and I would be quite prepared to agree with the first track that he proposed and that is that discussions take place among the House leaders. That is the appropriate way to do it rather than making commitments here on the floor of the House.

Mr. Murphy: On the same point, Madam Speaker. If this action is undertaken by Canada it would be a significant departure from some of our previous activities on the world scene.

Many Canadians would be concerned to have a full debate, to understand exactly what the parameters of the commitment are. I would encourage the House leaders to meet either today or early Monday to ensure there is some vehicle for a public discussion on this issue.

GOVERNMENT ORDERS

[*English*]

BUDGET IMPLEMENTATION (GOVERNMENT ORGANIZATIONS) ACT, 1992

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Mazankowski that Bill C-93, an act to implement certain government organization provisions of the budget tabled in the House of Commons on February 25, 1992, be read the second time and referred to a legislative committee in the Economics envelope.

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, I thought we might get unanimous consent to give me more time if necessary. I am sure the House would want to hear my remarks.

I want to thank members for their consent so that I may complete my remarks.

• (1230)

Earlier today, I raised questions with regard to the procedural acceptability of Bill C-93. I hope that before the day is out we will have a decision from the Chair in terms of the points I raised.

In my remarks I made reference to the fact that the Atlantic Canada Opportunities Agency, now in place, with great fanfare some time ago was announced with a budget of $1.05 billion over five years. Individuals on the government side rejoiced that this was going to be the panacea for creating economic development in Atlantic Canada. In point of fact they have pointed to it as the lead tool for economic development.

The budgetary provisions of that particular day require careful examination. The money has roughly been $200 million a year for four provinces equalling approximately $86.96 per resident of Atlantic Canada. At the same time, the Government of Canada was providing $1.2 billion for a space station, not to suggest that we are against that.

When one looks at the need for economic development in Atlantic Canada, however, that certainly has not been a sizeable expenditure for the needs of those particular residents.

I attempted in my remarks to lay out the history of the Cape Breton Development Corporation with its two divisions, its mandate, its own president, its own board of directors. I talked about Bill C-103, namely the Atlantic Canada Opportunities Agency, part I and part II which was Enterprise Cape Breton Corporation. For all practical purposes it was to usurp the role of the industrial development division of Devco and thereby be rolled into a separate and distinct Crown corporation.

My colleague in the upper house raised a number of questions with regard to the efficacy of that particular Crown corporation. I would like to repeat what my colleague, the Hon. Allan J. MacEachen, at that time leader of the opposition in the other House said on June 14, 1988. He was questioning the government House leader, Senator Murray. He said:

> Would I be correct in concluding that, while ACOA, as a whole, will not be involved in infrastructure, for example, or not involved directly in assistance to farmers, the new Enterprise Cape Breton Corporation will still be enabled to fund projects in the field of infrastructure, in the

> field of agriculture, as has been presently done by the industrial development division of the Cape Breton Development Corporation?

The response of the government House leader in the Senate was:

> Yes, honourable senators, those are valid examples of activities in which Enterprise Cape Breton Corporation—

—as my colleague from Cape Breton Highlands—Canso will want to note—

> —as a continuation of IDD, could continue to be engaged and in which ACOA, generally speaking, is not engaged. Again, in answer to questions from our colleague, Senator Graham, I did discuss the quite worth-while activities of ACOA in encouraging economic activities and enterprises that are related to agriculture and fisheries. However, that is not what the honourable senator is asking. The short answer to his question is yes.

Senator Murray on June 14, 1988, page 3655, goes on to say:

> Honourable senators, as I have stated previously, the generality of the case with regard to Enterprise Cape Breton Corporation is that ECBC will not be prevented from doing anything that the industrial development division of Devco is now doing.

Bill C-103 created ACOA and it created Enterprise Cape Breton Corporation in the words of the government House leader in the other place to do the duties of the industrial development division of what we now know as Devco.

That was back then. That is what they said in 1988. Senator Murray is on the record as saying the following. This is from page 3656 of the Senate debates of June 14, 1988:

> Enterprise Cape Breton Corporation will be a Crown corporation. It has a mandate almost identical to that of the industrial development division of Devco. As a Crown corporation, it will have a board of directors which—and I make this as a general statement—will have the same mandate and powers in respect to ECBC as the board of directors of Devco has in respect of the IDD.

I put all of this on the record to show and to underline for those in the Chamber and those who may be viewing our proceedings the ultimate in hypocrisy of a government. It gutted the industrial development division of Devco and in its place it put the Enterprise Cape Breton Corporation, which was to assume its responsibilities. However, it has now come to Parliament to end Enterprise Cape Breton Corporation.

In the debate which went on in this House those in opposition were criticized because we as a national party opposed the ACOA bill. The reason that we opposed the ACOA bill is that the Government of Canada was attempting to utilize it as a panacea for economic development in Atlantic Canada, to which we would not subscribe. In fact, we were the only national party to oppose that piece of legislation.

The Tory members opposite and members of the New Democratic Party supported ACOA. They supported the gutting of the industrial development division.

Today, we now see the results of that particular measure. We have a new bill before us which is gutting, terminating forever and ever, Enterprise Cape Breton Corporation which was to be the flagship of economic development on the island of Cape Breton.

We not only voted against Bill C-103 in this House, we had the other place forward amendments back to this Chamber. They happened to be amendments from our colleagues, our Liberal senators, which we supported, and which of course the New Democratic Party and the Tories opposite did not support.

So I want the record to be very clear that when it comes to economic development on the island of Cape Breton, we only have to look to the Tories and the NDP and examine the rhetoric. Examine the statements made in the press, but also look at the results and look at what is actually done.

This is a good example of a piece of legislation enacted some years ago which now in another form has come back before this institution and which we are going to do away with. That was the fear we anticipated back in 1987 and again in 1988 right until 1992.

Our worst dreams and our worst fears have now occurred. I am very sad that this has occurred. The reason I am sad is that people in my district in Nova Scotia believed Senator Murray when he said in the upper chamber, and these are his words: "These, honourable senators, are nation-building measures. Bill C-103, an act to increase opportunity for economic development in Atlantic Canada, to establish the Atlantic Canada Opportunities Agency and Enterprise Cape Breton Corporation." It is a nation-building measure. That is what he said on May 18, 1988 on page 3431 of Senate *Hansard*.

• (1240)

If that is not hypocrisy, I do not know what is. There is a senior minister of the Crown saying in *Hansard* that the need for Enterprise Cape Breton Corporation is because it is a nation-building measure. What do we have today? We have the likes of Bill C-93 which will gut, it will terminate Enterprise Cape Breton Corporation forever and a day thereby removing a nation-building measure.

I find it totally unacceptable that we in this Parliament would allow this government to get away with such mischief. It is mischief which has played on the hearts and the hopes of thousands of people residing in my district.

The purpose of my intervention today is to retrace the history and the facts relating to Cape Breton Development Corporation, the history of the Enterprise Cape Breton Corporation as it relates to the Atlantic Canada Opportunities Agency and the facts. The facts are that we have been told one thing and the government is doing the opposite.

When I think of the concern and the anguish that the people of my island have to go through, I become angry. I am angry at the way in which they have been treated, angry at the way in which governments have played with their fears, their emotions and their hopes.

As we heard in Question Period and as I reported to the Minister of Finance, the unemployment rate in Cape Breton today is 20.9 per cent. On the very day that unemployment at 20.9 per cent is recorded, the Government of Canada spells the end of the Enterprise Cape Breton Corporation. That is something which it said several years ago was a nation-building measure. Is that fair? Is that just? Is that appropriate?

My colleagues, the hon. member for Cape Breton—The Sydneys and the hon. member for Cape Breton Highlands—Canso, will talk about what has happened in their districts.

Over the last number of years we have seen many destructive economic things happen on the island of Cape Breton. The radar base closed. A substantial amount of money was removed from the local economy. Positions at the coast guard college, the numbers are down. VIA Rail passenger service has been taken away. Air Canada jet service has been taken away. Just the other day, two fish plants in my district had to close as did many more on the island, to which I am sure my colleague from Cape Breton Highlands—Canso will allude.

Cape Breton Development Corporation has seen its person-years reduced substantially. The Sydney Steel Corporation has also been downsized from 1,500 to approximately 600. It goes on and on and on.

In 1991 Nova Scotia had 2,184 consumer bankruptcies. There were also 662 business bankruptcies. In October 1992 the record will show that consumer bankruptcies equalled 1,617 and business bankruptcies so far this year are up at 712. Bankruptcies since 1991 have reached a total of 5,175. Yet the Government of Canada has chosen a pretty tough course by closing down Enterprise Cape Breton Corporation. Again I ask the Chamber and I ask the Chair: Is that fair, is that just?

The answer is that it is not fair. It is not generous. It is not becoming of any national government to do that in light of the economic carnage it has inflicted upon the people. No government should wilfully, as this government has done repeatedly over the last number of years, single out such a poor and devastated area of Canada as Cape Breton.

There are people there too. I think of the youth. I think of my son and my two daughters who live there as I do. They want to have an opportunity to grow, get an education, have a job and raise a family. What we find is a national government, aided and abetted by the way by a provincial government, whose incompetence is only exceeded by its arrogance and dislike for the people on that island.

Today in my district two coal mines are down. One is Lingan in New Waterford and the other is the Phalen colliery in New Waterford as well. A lot of miners, a lot of families, are directly affected and impacted. The problem is that water has come into the Lingan mine and they have had to evacuate that mine which was due to close in March. Approximately 350,000 to 400,000 tonnes of coal will not be mined as a result of that flooding. A lot of individuals have been displaced there and displaced at the Phalen colliery.

I do not know the cause of that flooding, but I have serious concerns as to why it has occurred. I have spoken with union representatives and I have spoken with management representatives. They have suggested that the water has come from another abandoned coal mine, No. 26-1B. There are two experts on site now examining the cause. It certainly has to reflect management practic-

es at that corporation and the directives given to it by the minister responsible.

I hope the Phalen mine will be up and running as soon as humanly possible, and I am sure the minister opposite would concur, but it had better be safe. Every expert, Labour Canada, CANMET and energy mines and resources, better spell out very clearly that it is safe. I will join with union representatives and their safety co-ordinator in saying that the men should not return to work if it is not proven conclusively that the mine is safe for miners to mine coal.

As we stand here today and debate the death of Enterprise Cape Breton Corporation, these people are worried about Christmas. They are worried about the new year. They are worried about getting back to work. I just want to put on record that I defy anyone in this Chamber to suggest or imply that those individuals associated and working at the Cape Breton Development Corporation are not industrious, hard working, determined men who wish to get back to work. There will be some who will try to paint the picture that all they want is unemployment insurance, a few benefits and that will be sufficient. That is not the case. Let no man or woman in this Chamber or outside this Chamber try to inflict that kind of gossip, that kind of big lie about the Cape Breton labour force. It is a very good labour force as studies have shown and as studies will indicate again and again.

• (1250)

These miners are worried about their lives and their families. They really are a special breed of people. They get up every morning, put their clothes on, go to the mine, get their lights and get on a little train. They are cramped in. They go down in the mine way underneath the ocean. They work, they get their pay and they come up. It is pretty scary for those individuals who do it, scary for their families, and particularly very scary for the children of miners.

I have made demands of the minister responsible in terms of unemployment insurance. I want to say on the record that I think the minister has attempted in good faith to be of some assistance. I want to thank him for that.

I have also urged the minister in a letter I have written to him that we have to do something for those miners who have been displaced at the Lingan colliery. We cannot just throw them adrift as if they are useless human beings. We need a package for those individuals. Some of them are not so old; some of them are a bit older. We need interim measures to provide assistance to those miners who are not without work and who have no idea as to when they will be able to return to full-time employment in the mines.

There is something else that the minister has not been overly positive about or co-operative about. That is the opening of the Donkin coal mine. At the present time at Devco in the coal division we have the Princess mine and the Phalen mine. Lingan looks like it is going to be closed. I hope not but it looks very much that way.

We have both domestic and international markets that must be supplied with coal. It only seems sensible, wise and prudent the Government of Canada, after spending in excess of $55 million on the Donkin mine project, will get it up, get it ready and proceed with economic development there too.

As much as I would like to vent my anger at the minister responsible for the Cape Breton Development Corporation, I have to say in all candour that the minister does not enjoy the support of the Government of Nova Scotia. The Government of Canada could proceed unilaterally but that is not the best way to proceed. It has to proceed with the co-operation and the financial support of the Government of Nova Scotia. That crowd in Nova Scotia led by the premier, Mr. Donald Cameron, is an absolute, unbelievable bunch of incompetent individuals.

They care that much for the coal industry, that much for the people of Cape Breton and that much for the miners who work in the coal industry, as evidenced by statements made by the premier, by his refusal to retract those statements, by his attitude and by his wanton disregard for the people of Cape Breton.

The Cape Breton Development Corporation was brought in under a federal statute by the Hon. Allan J. MacEachen who sits in the other House. The minister will know that it was supported at that time by the premier of the day, Robert Lorne Stanfield. It was thereafter supported throughout the years by the successor to Mr. Stanfield, Mr. Regan, who served as premier

for eight years and thereafter supported by Senator John Buchanan.

But this premier has not shown the same compassion, the understanding or the willingness to support the Cape Breton Development Corporation in its operations. In point of fact he has done everything to discredit that Crown corporation and thereby discredit the minister who is opposite today. It is a shameful display by a first minister of a province to cut adrift an entire island of people who number about 170,000, as my colleague from Cape Breton Highlands—Canso will later bring to the attention of this House.

The Government of Canada needs the support of the Government of Nova Scotia to get the Donkin mine up and running. It needs the support of the Government of Nova Scotia with regard to coal contracts from the Nova Scotia Power Corporation. Yes, Devco sells coal, as the minister will attest. It sells coal to the Nova Scotia Power Corporation. However, it has been the miner who has been sacrificing his life, his family's life, in order to maintain power costs in the province of Nova Scotia. It is not Donald Cameron and those clowns in Halifax. It is high time the Government of Canada takes the gloves off and stops allowing this provincial premier to get away with wanton disregard and disrespect for a people who happen to reside on a disadvantaged island.

If I were the minister responsible I know what I would do. I would disclose the kinds of shenanigans, the way in which that premier has treated the Cape Breton Development Corporation. This premier has not only attacked the people of Cape Breton Island, the miners of Cape Breton Island, but he has also attacked the management.

Maybe there is ample room there for that, but to do so in the way he has done is something we shall never forget. I urge the minister responsible for the Cape Breton Development Corporation to continue to work to do the best he possibly can, show leadership and disclose what these clowns are all about in Halifax. The minister cannot say these things, but I can say them because I know the difficulties the minister is confronted with when trying to deal with that crowd in Halifax.

I urge him to get on with the Donkin mine. It makes sense. It will create jobs. It will put miners and their families in a much better framework. Where better is it needed than on the island of Cape Breton?

In the two minutes I have remaining, let me say this about Enterprise Cape Breton Corporation. With all the economic carnage on the island, how in the name of God could a federal government today, at 20.9 per cent UIC, terminate a flagship for economic development? I will tell the House how: It is done by the Government of Canada at the support and behest of the provincial government of one Donald Cameron, the good friend of the right hon. prime minister.

• (1300)

I would hope that members in this Chamber would understand exactly what is taking place. It is that those of us who come from small disadvantaged regions of the country are suffering greatly. We seek hope, economic justice and fairness. We do not want any special deals, but we want to have our special relationship that we have always enjoyed with the Government of Canada renewed and invigorated in order to provide hope to those individuals who reside on that island.

The conduct of this government by introducing such dastardly legislation will affect greatly, not only today but for years and years and years ahead, the economy of Cape Breton.

I say to all that I will continue to fight. I will take my place in this Chamber and, no matter how unpopular it may be in some circles, I will stand with the miner, I will stand with the fisherman, the persons who work in our forests, the people who work in our small businesses, the young people and the women, our aboriginals, all of those individuals in Cape Breton. I will stand with them and for them to bring economic justice and fairness to the people of Cape Breton.

I urge all members, regardless of political faith, to support the Official Opposition in condemning the provisions of Bill C-93 and in particular the amendments to gut Enterprise Cape Breton Corporation.

Mr. Raymond Skelly (North Island—Powell River): Madam Speaker, today I would like to deal with one aspect of this legislation before the House and first of all indicate how opposed our party is to the legislation.

I listened to the original remarks this morning. It was interesting. The speaker who introduced the bill this morning for the Conservative government mentioned that the RCMP Public Complaints Commission was going to be rolled into the RCMP External Review Committee. The remark that justified this was that there would be a saving of roughly $1 million. It would eliminate duplication and it would save seven person-years.

I would like to point out that the RCMP Public Complaints Commission is virtually the only agency in Canada where Canadians who have a complaint against the state police force, the RCMP, can go and be assured of a fair investigation of their complaints.

To remove this agency or to in any way weaken it by depriving it of human resources and financial resources is certainly going to ensure that the public does not have an effective agency with which to raise its complaints and ensure that its complaints will be dealt with.

I would point out that the RCMP is probably one of the finest police forces in the world, but it does have situations occur in which there are breaches of the law, where officers act inappropriately, where some officers behave in a manner whereby they should no longer remain as members of the RCMP. It is absolutely clear that in a very large organization for one reason or another you are going to have people who do not fit in.

In an organization that can use the kind of force that the RCMP can against the public, be it direct application of force, be it by intimidation, whatever, there have been some terrible examples of injustice. It is the RCMP Public Complaints Commission that has really given an opportunity for the members of the public to be assured that their complaints can be dealt with effectively and efficiently.

The attempt to roll the RCMP Public Complaints Commission into an External Review Committee that handles grievances of RCMP officers and other matters that arise out of personnel cases is a conflict of interest. It not only destroys the effectiveness of the complaints commission, but it probably creates a situation, with the elimination of financial and human resources, that will render it ineffective.

I would like to use an example of a single case. There are all kinds of cases across Canada that can be used to justify a call by the opposition and by other people in Canada not to amalgamate this, not to cut its resources, but in fact to strengthen the resources.

The RCMP Public Complaints Commission came into being on September 30, 1988. On that night in Gibsons, British Columbia, a young man happened to be intoxicated and sleeping in a bar. The RCMP were called to take the individual out and they took that individual to jail. It was interesting that they chose to jail the individual since there was no fight or difficulty involved. The person was just asleep. They threw the individual into jail and there were a number of other people in the cell.

An altercation started in the cell and at some point during the evening the corporal of the detachment removed that prisoner from the cell. There was an altercation, the individual was injured, and it turned out quite badly.

The person was returned to the cell. The other people incarcerated with this individual throughout the night called for medical attention for the individual. The call for medical attention was disregarded. The next morning all the other individuals in the cell were sent out, no charges were laid and they disappeared.

The individual who remained, the one who had been taken into custody that night and held in the cell, was held even longer because there was an outstanding parking ticket. Later the brother appeared, paid the ticket in Sechelt and the person was unceremoniously dumped out into the street.

The person could not navigate as he had been so badly injured. A taxi driver came by, picked the person up and took him about 30 kilometres away to a hospital. The individual got to the hospital and after an examination it was determined his face had been stove in, his ribs broken and his spleen ruptured. They helicoptered him to North Vancouver where he underwent treatment and recovered.

A complaint was lodged almost immediately with the local detachment of the RCMP. It was not handled in a way that satisfied the parents of the individual. The parents tried a number of routes to get some satisfaction. It took close to a year after going through the ombudsman in British Columbia, the RCMP and a whole host of other agencies.

Eventually they wound up at the RCMP Public Complaints Commission. The RCMP Public Complaints Commission expended a fair amount of resources to find witnesses that had moved to Ontario that were in the cells that night, got the stories from those individuals and convened a public hearing. The public hearing found that there were very serious concerns about the handling of the medical problem that evening, very serious concerns about what appeared to be an assault on the individual. As a result of the questions they came to a point where a report was written that was certainly not complimentary to the RCMP's handling of this problem.

This matter then proceeded from that hearing into a civil action. The civil action dragged on for another year and eventually the RCMP settled out of court for, I understand, $20,000 and the legal costs and the issue was over.

If it had depended upon the regular mechanisms to handle this case, there would have been no satisfaction, no hearing of the main issues in this point, no hearing of the testimony of other witnesses to it. In fact, this would have simply been swept under the carpet and another case disposed of. The RCMP Public Complaints Commission prosecuted this through to the very end and laid the entire story open to the public. In the civil action the complainant settled out of court for $20,000.

That has not been the only case. The officer involved was involved in a settlement by the RCMP with another complainant who wound up receiving a $7,000 settlement out of court. There were charges laid against this officer previously in Ladysmith in the company of other officers in assaulting an individual.

• (1310)

Once complaining, the individual found no satisfaction and in fact found himself in greater difficulty with the problem.

What I would suggest is that if it had not been for this effective agency, the RCMP Public Complaints Commission, that the serious case would have been simply swept under the carpet. Gibsons is an area where there have been a number of assaults by the RCMP. A number of complaints by individuals in the Gibsons area and the Sechelt peninsula have been reported to the RCMP Public Complaints Commission.

There is an incredible disincentive to do this. Let me give an example where an individual happens to be accused of impaired driving. The individual is stopped by the RCMP, an altercation results, the individual is injured in the altercation, the RCMP claims that it is justified use of force. He is taken down and charged with impaired driving but not allowed to use the breathalyser. That is the end of the evening, simply the charge results and things carry on. The minute the individual lays a complaint with the RCMP Public Complaints Commission, further charges result. This individual is then charged with attempting to assault a police officer and other charges. This is the history in many cases.

I would use one more example. An individual who is a passenger in a vehicle with two other people winds up in the ferry lot of the B.C. ferries in Langdale. The police arrive on the scene. The individual at this point has not done anything. They ask him to come out of the car and he says: "I have done nothing. Why should I do that". They simply reach in, throw him out of the car and break his shoulder on the ground after jumping on him.

Again this individual makes a complaint to the RCMP Public Complaints Commission. At least they know they are going to get some satisfaction in an investigation of the events. This goes on and on. I do not know exactly how many cases I have in my files of these events but it is absolutely critical that this agency remains in place. If this is happening in one area, where there has obviously been a problem, then it is imperative to keep the RCMP Public Complaints Commission working and not roll it into the External Review Committee.

Hopefully, when the opportunity presents it, we will be making an amendment that will see a separation between the review committee and the Public Complaints Commission maintained and that in fact it will be strengthened. In the previous year's annual report, the RCMP Public Complaints Commission said that its hands had been tied by the legislation. It made 30 recommendations for changes to the legislation so that it could do an effective job.

The commissioner of the RCMP does not have to give the follow-up activity taken by the RCMP against an officer who is found to have used an inappropriate procedure. That is one of the examples where if something does occur in the way of discipline for an event, the officer and the incident is found to have erred. He made a mistake. If there is some kind of action taken on behalf of the RCMP, it should go in to the public domain. If it was anybody else who had made those kinds of errors,

certainly that would have been a cause celebre covered by the media and others.

I want to stop just for a moment about the media handling the case. It is interesting that the RCMP Public Complaints Commission indicates the media is an effective way for people to get their case considered. That is not true. I had on a number of occasions talked to people in the media about the coverage of some of these things that were well within the public domain. I had some of the issues that I had picked up as files in this matter referred to me by the media. When I asked why they did not cover them, they said: "It is not in our best interest to cover them. For example, if we run afoul of the local RCMP, we may have problems driving our motor vehicle from A to B. We may find that when we phone the RCMP for information, we are cut off. We cannot report the news because the RCMP will not co-operate".

This is not my story. This is the story from a number of media agencies in the area I represent when I said, here is the thing that is happening in your community. It is a serious matter. Why have you not covered it? They said: "It is risky to do that". It is personally risky. It is risky from the business point of view when running a newspaper when you need access to the RCMP for the news. If you report things that the RCMP do not view with favour, then you are going to find that you are completely cut off and you do run some personal risks. These are stories conveyed to me by journalists, not just from one agency but from several agencies on the matter.

The critical point here is that we have an agency that has been in business since September 30, 1988. It has shown itself to be a determined agency in the investigation of complaints against the RCMP and that in prosecuting those have on behalf of citizens who have complaints, prosecuted their responsibilities very well.

At times the RCMP officer and the complainant get together and the RCMP officer says: "I was dead right. This was within the law. You made an error and that is what happened". That is the end of it. The individual gets a clear explanation. The RCMP officers lays out his side of the story and is completely vindicated.

At other times, and I have seen this happen, the matter is investigated and an apology goes forward from the RCMP that states: "There may have been in the heat of the moment some things that do not follow policy, but the circumstances were so uncertain that this is what happened and we apologize for the inconvenience". The complainant accepts that apology and that is the end of it.

Other circumstances can be far more serious. Perhaps excessive use of force is implied and the individual has been badly beaten. There has been a great deal of damage and the matter goes to a hearing, or goes to court and matters take their course. Those are extremely rare.

The RCMP is a very fine police force. We see that on a daily basis. Rarely are there incidents that create havoc, that break the confidence of the public in the law enforcement agency. We must have an impartial body set apart with resources to investigate, and we must have the legal authority to investigate effectively, and prosecute to the point where some acceptable resolution occurs.

The administration of the RCMP and the office of the Solicitor General should be seriously looking at making sure that in a democracy the police are there to use force against citizens to enforce the law. It becomes a very grey area in some cases or there is actual clear misbehaviour on the part of an individual in using that force to carry out the law or the procedures. We need that agency to be there to carry on a separate investigation.

It would be my hope that it would not be necessary to get up and debate extensively in this House a motion that argues on behalf of the opposition that the RCMP Public Complaints Commission has to be maintained. It has to have additional resources, both human resources and financial resources. This House should not be looking at gutting that agency, but should be giving serious consideration to implementing the recommendations that are outlined in the last annual report to strengthen the hand of the agency.

At this time I would leave that particular area with the admonition that we will be looking seriously at moving an amendment. Hopefully, out of that amendment, we can see the government co-operate with the opposition members to separate these two agencies, maintain the separation, provide the human and financial resources

for the complaints commission to continue to carry out its good work and finally, to implement the recommendation for changes to the legislation that would make the organization more effective.

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I would like to thank my colleague for his comments. I was especially concerned about the comments he made with respect to the police complaint procedures of the RCMP.

• (1320)

I can recall back in 1983 when the government of British Columbia went through a similar kind of cost-cutting regime that this government is currently involved in, even to the extent of using the same kinds of cliches that are used now in the division between the public and private sector, the need to downsize the number of workers, to get rid of services in government and to leave job creation up to the private sector.

However, when the cost-cutting process was done within the government of British Columbia and the dust had settled, we found out that the vast majority of programs that had been cut were things that the Conservative government in British Columbia had an ideological aversion to. The things cut were programs like family support services or funding for community groups that they considered interest groups, or help for the poor, the homeless, abused women, and abused families and that kind of thing.

That Social Credit government lost all of its support as a government in British Columbia.

It also did away entirely with the human rights commission in British Columbia because it felt that the human rights commission was advancing the cause of human rights in the province of British Columbia contrary to what Social Crediters and Tories believe.

They saw those organizations as ideologically hostile and when the dust settled the operation costs of these bodies was next to nothing. The government saved almost nothing and even after the cost cuts the deficit sky-rocketed. They did not accomplish what they were purported to be accomplishing.

What startles me is the number of cases that the member has brought forward from a particular area of his riding. I recognize that he may have some concern about possible retaliation and certainly the press has indicated that there is concern.

He also indicated that the Police Complaints Commission appears to have no power at the present time and as a result very little does happen with officers who do operate outside the law and become a threat to the public. They also discredit, as the speaker mentioned, the 99.9 per cent of RCMP officers who operate within the law and do a good job and perform an excellent service to the public.

I wonder if steps have been taken as a result of the decisions by the police complaints procedure and the RCMP complaint commission to remove the officers that have been responsible or if the RCMP has taken any steps to remove those officers so that they no longer constitute a threat to the public and discredit the vast numbers of RCMP officers who work for the force and work for the public at the same time.

Mr. Skelly (North Island—Powell River): Mr. Speaker, I want to make a final comment on that particular area. I have not received a single complaint from that area in a considerable period of time.

I know there was concern within the RCMP about certain kinds of activities that had gone on there. Those seem to have been addressed and I have been informed of some extremely positive changes that have happened in that area. That information has come from the mayors of the communities and from other people who have indicated that there have been some significant changes about which they are very pleased.

I would like to follow up a comment that was made by my colleague, even closer than colleague, from Comox—Alberni concerning the social cuts, if I might use just a second. Part III of this legislation winds up the Social Sciences and Humanities Research Council and it transfers the international academic relations program from external affairs to the Canada Council and renames this organization Canada Council for the Arts for Research in the Social Sciences and Humanities. This is going to make the organization completely ineffective at a time when things like social science research is absolutely critical.

We are seeing some tremendous changes in the structure and operation of the economy of Canada. The social science and research operation, by being gutted

and rolled into another agency loses its priority and drops to the bottom. We wind up seeing things like the Deputy Prime Minister in the House today attacking the unemployed. Nothing could be more false, absolutely immoral than what was done in the House today and yesterday in attacking the unemployed and blaming them for the problem.

My colleague the Solicitor General says that is nonsense. There are members of the Conservative caucus who are talking actively today about how to get the Prime Minister to change this kind of attack on the unemployed in Canada.

An hon. member: It will end up in cabinet tomorrow.

Mr. Skelly (North Island—Powell River): At any rate whether he is yelling and shouting about this, it is a case where this government is blaming the unemployed for the nature of the economy when the responsibility is clearly with the government. I would say that the yelling and the screaming from the Solicitor General points to guilt rather than any serious attempt to refute the charge.

Hopefully, in dealing with the international academic relations program and the Social Science Research Council of Canada, this too will be one of the things that is reconsidered. Those two agencies will remain separate, apart and able to function with the human and financial resources to do this. With that I will conclude my remarks.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, following up on the member's comments on part III of this particular bill which winds up the Social Science and Humanities Research Council, I note that in 1979, after extensive consultations and studies, these programs were moved out of the Canada Council and into the present Social Science and Humanity Research Council. Concern has been expressed both by Canadian and international academics that this funding will not be maintained through this aspect.

I note also that this particular thrust was done not after any consultation at all, but was announced unilaterally in the budget of 1992.

I wonder if the member would have any comment on the consultative process and whether, in fact, he has any comment with respect to the lack of consultation this time around and the full consultations of the last time.

Mr. Skelly (North Island—Powell River): Mr. Speaker, there is a volume of correspondence but I will not go through it. The International Council for Canadian Studies has written to the Prime Minister with reference to the transfers we are talking about, and it says: "Such a transfer will prove costly and ineffective. It is an instrument of Canadian foreign policy and enjoys the full co-operation of academics abroad". The question involves Canada's reputation.

There are numerous letters from the social science groups in Canada stating the same thing. The social science research groups are very critical of being rolled into this multi-tasked agency and deprived of resources will become completely ineffective. This is not our judgment, we are simply repeating the judgments of the many people who are going to be asked to judge the Conservative government in the next election when it comes.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, although a number of issues were addressed in the changes that are being brought about by the mergers of many of the programs that were addressed by my colleagues on all sides of the House, I would like to speak to one issue in very short measure and the second matter, with respect to the Canada Council and the Social Science and Humanities Research Council in a little bit more depth.

As I speak to Bill C-93, an act to implement certain government organization provisions of the budget tabled in the House on February 25, I am quite sure members are aware that the purpose of this bill is to implement the government's decision to merge these Crown corporation and agencies.

• (1330)

The reason that the government did this, it said, was to be more efficient through these cost cutting measures. The question and the measure shall indicate that on the one hand one undertaking seems to have been well thought through, the second certainly merits some serious reconsideration.

With respect to the Copyright Board and the Trademark Opposition Board, which will be known as the intellectual property tribunal, I have not had too many complaints. I have had next to no concern expressed about this particular merger, which is quite fascinating seeing as how we are in the midst of doing a piece of

copyright legislation at this moment and certainly having a swinging door as the different groups come through to indicate their interest in the whole area of intellectual property law and the copyright decision-making in the interests of one party or the other.

It would seem to me that the merger must be being fairly well received, and it will enlarge the intellectual property considerations with additional expertise, I would presume. In light of the fact that I have not heard very much about this whole process, I would presume it is a positive and orderly step to have taken.

There was one observation made in another matter that I was dealing with and the answer to that was why would you be concerned? Where to place your concern in any of the things going on around here is in the procedure for nomination through Order in Council appointment.

If the Order in Council appointments to the tribunal are enlightened, carefully thought out and indicate that the people who are being appointed are people who have competence in the field, then through that selection process you thereby assure that the tribunal will function well. We will leave that tribunal in the hands of good nominations and then careful thought on the part of the new members.

The second thing that we are looking at is the merger of the Canada Council with the Social Science and Humanities Research Council and the International Cultural Relations Bureau of External Affairs.

This three-way merger will have an unwieldy moniker, from what I can see. It is to be called the Canada Council of the Arts and for Research in the Social Sciences and Humanities. The new acronym will be far more suitable, as it is called CARSH and for the purposes of the rest of this discussion, I will refer to it as CARSH because I think that seems appropriate to the picture.

This is the second marriage for these two bodies. I think you were in this House, Mr. Speaker, as the first marriage took place followed by the unhappy divorce and separation proceedings, a long-term mediation, and I believe you even sat on the committee, and extensive studies and consultations took place at that time.

Parliament in its wisdom saw that this was not working and allowed on the grounds of incompatibility of objectives a separation and then a divorce of the Canada Council and the Social Science and Humanities Research Council.

They had two different missions; one in the arts and cultural matters, the second in more profound kinds of research into the social sciences and the humanities.

The Canada Council was really directing its energies to the building and ongoing growth and development of the cultural arts, while the science research council was doing some wonderful spade work in developing the interests of Canadians in these fields of action.

Over the last 14 years these two councils have matured, they have flourished, someone said to me that they have flowered—that is true—each in its own separate domain of expertise. Did you give me another word, Mr. Solicitor General? I am listening. Anything that is said in a positive vein is well accepted in the Canada of today. It gives hope and forward thought.

Each in its own separate domain has become really quite expert and each has served its own constituency with concern, with caring and active boards, with the participation of those boards and with competent and dedicated staffs.

Now the government in its wisdom has decided that the two should remarry, unlike the 1978 decision, without any studies, without any consultation, with no counselling and with no mediation.

The partnerships and the multi-disciplinary work that are the keystones of the efficient and collaborative co-existence of any groups, as members of this House will know, are absolutely fundamental to good business practice and good healthy inter-group relations. I sincerely hope that every effort will be made to make this work if this is the way the government intends to go. Perhaps in committee we might come up with an amendment that might take us in another direction. We will have to see what the witnesses have to say in this regard.

It is very important to reflect for a few minutes on why it was felt in the late 1970s that such a separation was in order and why an independent research council was needed. I am indebted to Chad Gaffield of *The Ottawa Citizen* who wrote on March 25 of this year much of the

background of the next few remarks that I am going to make.

Mr. Gaffield said that when the Canada Council was first formed in the late 1950s research activity in Canada was quite limited. Many Canadians had to seek advanced training in the United States or Europe and especially England.

Through the 1960s and the 1970s Canada developed research in all fields, including the humanities and social sciences. New graduate programs and new research projects were established. The result was two-fold: fewer and fewer Canadians were forced to go elsewhere for training and more research became available about the Canadian experience.

Instead of foreign trained experts applying research findings from other countries to us, scholars could use Canadian research to address, through specially dedicated Canadian studies, the important questions of concern to Canadians and incidentally to many other parts of the world. It could also look at our own growth and development in a variety of social and humanities disciplines, and, at the same time, serve the international community?

Something an awful lot of us do not appreciate is the very interesting and intricate work that is done by the Social Sciences and Humanities Research Council. For those who have a direct interest, those of us who are here doing business in committee, are well aware of the role of the estimates. In part III of the expenditure plan there is a very well documented and thoroughly outlined program of analysis of each of the departments and all of the studies that have been undertaken by the council itself.

I thought I would give you some sense of the incredibly fine work that is done on joint ventures and individually by this particular body in the interests of Canada and in the interests of the world.

My colleague, Chaviva Hosek, and I were discussing the new historical atlas that is coming out. It is really quite exciting. It is a history of the geography of Canada and it is being done out of the grants department of the social humanities. It has set a standard that is so high and the quality is so fine that scholars from around the world are looking at this historical atlas and are planning to use it as a learning model for their own country and use the technology that we developed in order to put this very exciting historical atlas into effect.

This helps us to find out about ourselves. Because of the content and because of its quality and because of its analytical approach it is a model to the world. I think that is something to be very proud of.

The other areas in which I thought the work of the council was quite fascinating were the priority areas where it supports research in areas that encompass five themes, four infrastructure development programs and joint initiatives and it has partnerships in interdisciplinary work.

I went from the very beginning of this and read through it with a great deal of interest. I really would encourage people to call my office and get a copy of this because it is really quite exciting to see the dynamism of the work that is done by these councils in the interest of Canada and in the interest of the international world.

• (1340)

It has set up management of technological change. Under the Research Council, which matches private sector contributions, two research chairs were approved and six new chairs were established in 1991-92. It is stimulating research in the areas that are very important to this government's priorities and new prosperity agenda.

The fields are research into technology and international competitiveness, environmental technology in resource based industries, management of technological changes in financial services—that is important—joint scholarships with NSERC and SSHRC, master scholarships on science policy to help direct and oversee new fields of science, new areas of training and the development of chairs in the field of environmental studies, eco-research programs, doctoral fellowships, university chairs, research grants, addressing regional ecosystem problems in an interdisciplinary perspective.

I would say that when we look at the joint funding, work put together by NSERC and by SSHRC, we see the importance of this kind of work in the interest of Canada's prosperity agenda, the global changes in the ecosystems, the policies for aboriginal peoples, policies of joint research with the Department of Indian Affairs and Northern Development, policies on aboriginal economic development, models for Indian governments in

New Brunswick and First Nations on the Constitution. I could go on and on.

I have a colleague here who is very interested in multiculturalism, my colleague from Saint-Laurent, and they are doing some very important research in the field of multiculturalism and citizenship for Canada, state of the art review of research related to that and the drawing together of all the documents of a serious import in this field.

If we look at the kind of work that has been done, we would understand why increasing interest in Canada has been fueled by the humanity and social sciences, so that by the mid-seventies a consensus emerged concerning the need for a separate agency. The results are impressive and I have just given some sense of what was so impressive; women and work, the condition of children, aging, ethics, values, Canadian literature and the list goes on.

A jury system was put in place that worked collaboratively with the universities and some post-secondary colleges. That nurtured the whole system and was very productive. Perhaps the most striking initiative is associated with the maturing of all these research fields, that of involving the collaborative efforts with the Canadian university scholars and scholars from around the world in the fields of science and engineering and medicine.

Such efforts reflect a growing awareness of the connection between these various disciplines. It is an inherent wholeness of truly important matters as we have had increased learning which demonstrates the innate relationships between these various fields of study that pervade the thought in today's society of issues that seemingly were unconnected as early on as the seventies.

This merger has caused serious consternation and a degree of unease in the arts and scientific communities for similar and yet different but very legitimate reasons. The social sciences and humanities research community was pleased by the government's commitment to a 4 per cent increase per year in its budget for the next four years. Unfortunately, yesterday's economic statement broke that promise for at least the next two years.

They are still waiting, it is true, for an affirmation that all future budgets will be reviewed by the government and studied as separate estimates from that of the Canada Council which they have joined and in tandem with the budgets of the two other research councils, NSERC and MRC, to use their acronyms. Of particular interest are the communities concerned with program integration. Above all, it is concerned with its identity. Research, although having evident cultural dimensions, is not the same as the pursuit of the fine arts.

Mr. Speaker, I will continue to point out to you that at the same time as the Canada Council has serious concerns as does SSHRC, Canada Council—

The Acting Speaker (Mr. Paproski): Maybe the Chair could rise for a minute and the hon. member would have an opportunity to check exactly what she would like to do.

Mrs. Finestone: Thank you, Mr. Speaker. There seems to be a move afoot to have a move done and I will do the deed when I get to the point where I am supposed to do the deed. Mr. Speaker, you will please advise me when that moment comes. Thank you very much.

This is very serious business because the culture of this House is part of the culture of this country. The Canada Council is also involved in this whole merger. It has serious concerns because the Canada Council addresses the concerns of the development of the arts community and it develops the essence of who we are as Canadians.

I would suggest to you, Mr. Speaker, it is the key to the creation of a vibrant Canadian culture which is essential to the reaffirmation of our nationhood and our sovereignty while the preservation and the exposition of our cultural heritage gives visual expression to our common history of experience and our common values and the diverse linguistic and cultural identities that mark our distinctiveness in the world of nations. It involves our writers, actors, singers, musicians and artists.

I want to advise that artists earn on average less than $1,400 a month. They need advocacy so that their role in this country can be appreciated. The advocacy organizations such as the Canadian Conference on the Arts and the Canadian Museums Association have suffered a 10 per cent cut. I think that demonstrates this government's lack of will to hear from the constituencies about the need of all our creative Canadians across this country.

I suggest that we should listen to Dr. Paule Leduc who appeared before the Senate finance committee in June and said that we cannot as an advanced and civilized country afford to neglect the arts. We must provide vigorous support and promote creative endeavour. With all my energies, therefore, I will try to convey to government the importance of the stake the country has in the healthy support of artistic creation. As a competent and effective director of the science council, her respected administrative skills will be thoroughly tested and certainly needed as she helps and heads this merger of the staff and the new board to take place.

I would like to finish by saying that this whole matter needs to be very carefully examined. It does not match any of the tests that were supposedly the tests for the measure of why we were undertaking this action. Therefore, when this goes to committee I would hope there would be effective time given so that we can study this and make an enlightened decision.

Before I sit down I would move:

> That the motion be amended by deleting all of the words after the word "that" and by substituting the following:
>
> That Bill C-93, an act to implement certain government organization provisions of the budget tabled in the House of Commons on February 25, 1992, be not now read a second time but be read a second time this day six months hence.

It is seconded by the member who was very busy giving me instructions, the member for Saint-Laurent—Cartierville.

• (1350)

The Acting Speaker (Mr. Paproski): The amendment is in order. The debate is on the amendment. Does the hon. member have a question or a comment?

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, I have a question. I would like to compliment my colleague from Mount Royal who so eloquently spoke on behalf the SSHRC.

I do not know whether she was aware that the Association of Universities and Colleges of Canada has issued a very poignant press release. In fact, it says that abolition of the SSHRC is turning back the clock. That is how it is described.

It talks about the research in the social sciences and humanities and how crucial it is for our understanding of and adaptation to the rapid social and technological change inherent in our emerging service and information oriented society. It is very concerned.

The member mentioned in her speech that the government had not given any prior study to this and did not provide any public rationale for this takeover other than talking about cost savings.

The association goes on to talk about the importance of what SSHRC has done in its over-all research project, about the multi-disciplinary research and over the past 10 years how many research projects they have funded. In fact, it has funded 3,398 researchers in the social sciences and humanities in the past fiscal year. That is an incredible number of research scientists. It goes on to list any number of areas where it shows concern. This is what I would like the member to address.

It is concerned about the integrity of the SSHRC granting programs. As one of the key players in Canada's over-all science and technology efforts, they are concerned it will be diminished. It is concerned that the links to other research granting councils could be threatened. It goes on and list many concerns. I would love to be able to read this wonderful communique from the Association of Universities and Colleges and have a response from my colleague from Mount Royal. Unfortunately, the time does not permit me to do that. I am sure she can get the tone of its concern. I would like to hear the member's response to those.

Mrs. Finestone: Mr. Speaker, I think the reason for this hoist motion, which I believe is fundamentally sound, is precisely to answer the serious allegations that have been made by the universities and colleges and leaders in the field of scientific research in all three of the government bodies that are involved in the funding mechanisms. As well, the mandate that has been given to the Canada Council may have become too disparate to be handled properly at this given moment.

I would say that the whole question of staffing has not been answered. What happens when some are Public Service Alliance, PSAC, and fall under unions, and some are totally outside because they fall under a different sector now of the the Financial Administration Act?

They have an exempt status. What is happening to all the workers who are coming from external affairs now into this new organization called CARSH? They will lose their status two years down the road and access to new jobs as public servants. There is the question of estimates and whether there will be three separate estimate lines; the question of the memorandum of understanding and the relationship with the Department of External Affairs. Is it in their best interest?

There are many unanswered questions. I understand the concerns that are being raised. If you do not know where your budget is coming from, if you do not know how your budget is going to be reviewed, if you do not know how the projects coming in are going to be juried or not, if you do not know how the staff which is key to this being effective is going to take place, if you do not know what the criteria of the board selection is going to be, then my motion is very relevant. If not, certainly there has to be a sunset clause in this kind of an operation.

I thank my colleague for the very enlightened question which gave me the opportunity to explain why this motion has been put before the House and is a very enlightened one.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, it is a pleasure to have the opportunity to speak on Bill C-93. Before I do, I would like to register my objection, if not with the procedural relevance of this, certainly with the intent of the government in combining so many pieces into this legislation.

There are many agencies in this piece of legislation to which I would like to address my remarks. I am going to be obliged to confine them to one part of the bill, namely the part that deals with the Atlantic Canada Opportunities Agency. I believe that at least this part should have been separated from the remainder of the bill so that we, in the House of Commons and in committee, could study the changes that are proposed to ACOA more carefully as they address the very real difficulties which the people of Atlantic Canada and more particularly the people of Cape Breton face at this time in our history in terms of the economy of that region.

What the Government of Canada is doing in this piece of legislation is eliminating an agency, Enterprise Cape Breton Corporation, which was created when the Atlantic Canada Opportunities Agency was set up in 1987. We in this party are opposed to that action. I would like to say a few words about why we are opposed to that action and why we are so opposed to this legislation and particularly to this part of it.

Before I do, I would like to say a few words about the economic situation in Cape Breton. It has always been our lot in history to have an economic environment which has been difficult for the residents of Cape Breton. Many Cape Bretoners have been obliged as a result to find employment elsewhere.

Mr. Lewis: It's because they vote Liberal.

Mr. LeBlanc (Cape Breton Highlands—Canso): No heckling from the other side. This is a serious matter. This legislation concerns a matter which is of great concern to all of the people of Cape Breton. We have always faced difficult circumstances economically in Cape Breton but in the recent years, it has been even worse. Recently, the news about the economy there is very bleak.

The central sources of employment, namely the mines and the steel mills in industrial Cape Breton, have been steadily declining in terms of the number of jobs that they have been able to support. As a result of recent activities facing two mines operated by Devco, nearly 1,000 miners could be facing permanent job loss. That being in a region where the unemployment rate is already alarmingly high is a serious cause for concern on Cape Breton Island.

• (1400)

The steel plant as well has been facing ongoing decline in employment. Despite a great deal of capital investment over the last two or three decades, the employment that facility is able to support is as low as it has ever been. Those who remain there have serious concern about whether the steel plant will enjoy the support of the provincial government and it will be able to stay open in the medium to long term. That steel plant is absolutely crucial to the economic future of Sydney in particular because no other alternatives have been developed.

Certainly nothing this government has done over the past eight years has given the people of that part of Cape Breton any reason to hope it has created some kind of

alternative economic future to which the residents can aspire.

In another very important sector of our economy, namely the fishery, we have recently discovered that fish stocks in the zones adjacent to the island are in serious decline. Scientists of the Department of Fisheries and Oceans came out a few weeks ago saying that in order to prevent a total collapse of those fish stocks there would have to be serious cuts in the quota. Already that has caused unemployment in fish plants around Cape Breton Island. There is every reason to expect that in the new year there will be major job losses in the fishing industry which is another very important sector for our local economy.

In the forestry industry which so far has remained a fairly solid pillar of the island economy the long-term prospects on a global basis are at most cloudy. The mill which sustains more than 2,000 workers either directly or indirectly is one of the most efficient and well managed corporations in the pulp and paper industry. However, in the last two or three years it has faced very difficult times because of the downturn in that industry. It also faces more long-term challenges because of the new environmental trends which go against some of the advantages the mill has enjoyed by its location on Cape Breton Island.

While we have many assets that can be developed, our economy remains dependent on industries whose futures remain troubled. We have needed and relied in the past, to develop the economic strengths on Cape Breton Island, on agencies that had the island economy at heart and had the future growth of the island's economy as their main preoccupation.

What was created in the 1960s under a Liberal government was the Cape Breton Development Corporation. It had as one arm the responsibility of managing the coal mines in industrial Cape Breton and as the other arm the industrial development division which had as its mandate the responsibility of promoting a more diverse economic development across Cape Breton Island. That division, working in tandem with the main arm of Devco over nearly 20 years, did a lot to strengthen the economic base of various parts of the island until the government, when it introduced ACOA, chose to sever the industrial development division and to create the Enterprise Cape Breton Corporation as a separate entity quite apart from the rest of Devco.

I was not in the House at that time, but I know that members representing us in the House of Commons and in the Senate were vigorously opposed to that part of the Atlantic Canada Opportunities Agency enabling legislation. They saw the writing on the wall in terms of the long-term intent of this government which was to end the mandate of the industrial development division in two stages. The first stage was to separate it from Devco and the second stage, as we saw in the budget earlier this year and in this legislation, was to shut down Enterprise Cape Breton Corporation completely.

With the exception of the Enterprise Cape Breton Corporation which is a branch office of ACOA working out of Halifax with a very limited mandate and with a very indirect preoccupation with the future of Cape Breton Island, this will leave no agency unique to Cape Breton, unique to that part of Canada, in place with the support of federal funds to work toward the development of a long-term viable industry to sustain the future of Cape Breton. This is at a time when the pillars of our economy—the coal industry, the steel industry, the forest industry, the pulp and paper industry, the fisheries industry and the tourist industry—are facing a future which is cloudy at best and perhaps in a long-term decline.

We in Cape Breton wonder what this government has in mind in terms of a vision, in terms of a commitment to our future in Cape Breton, when it would terminate the only agency that is in place with a mandate and a commitment to foster the economic development of Cape Breton Island.

Our situation in comparison to the rest of Canada is bad and is getting worse. The disparity on Cape Breton Island is increasing and our young people who are looking for work are finding no opportunities there. They are forced to leave. Our best resource, namely our young, educated labour force, is obliged to find work elsewhere because of lack of opportunity and lack of vision on the part of this government. That diminishes the capacity of Cape Breton to attract viable, forward looking, future oriented industries.

That is happening because we have no agency with a mandate to deal with the search for solutions on Cape Breton Island. The mandates of the Enterprise Cape Breton Corporation and Enterprise Cape Breton, two almost Bobbsey Twins in the programs offered by the government, have been confused and distracted. They have been preoccupied with nit-picking and with small

insignificant projects with no long-term economic vision for the island.

As a result the government has frittered away eight years of opportunity to do something to create a future for Cape Breton Island. After eight years the situation economically has never been more bleak. The people of Cape Breton have never been more discouraged by the absence of any real opportunity. In our main industries the future is downward and there is no apparent alternative out there for them. The government is taking away the resources needed to find a future opportunity.

That is what is at issue with this legislation. That is what is at issue with the decision by the government. It was anticipated a long time ago by our opposition in the House and by our opposition in the Senate that it was to close, to terminate, to end Enterprise Cape Breton Corporation.

• (1410)

As a passing note, the speech by the Minister of Finance on Wednesday, although I was not here and did not have a chance to study it thoroughly, does not appear to have offered any hope to Cape Breton. If anything, it has given Cape Breton more reason to distrust the motives of this government, to expect nothing from this government as far as understanding the local island economy, understanding the broader Atlantic Canada economy and understanding the need to work with the leadership in that area to find long-term viable sources of employment in Cape Breton.

If this government were serious, it would address itself directly to the some 27,000 people who are either unemployed or out of the labour force in Cape Breton at this time and would need to be employed in order for Cape Breton to be brought up to a level even broadly equal to the rest of the country in terms of its average level of employment and participation in the labour force. This government has absolutely no idea of how to do that.

This is the reason why the people of Cape Breton have lost any kind of hope in this federal government and why they want at the earliest opportunity an election to be called so that they and the rest of this country can throw this government out. Then we could have a government which is fresh and which is less tired, fatigued and bankrupt of ideas in place to start dealing with real solutions for the people of Cape Breton and the rest of Canada. The government has demonstrably shown in its *Economic and Fiscal Statement* earlier this week and in this legislation that it is totally incapable of doing that.

For that reason I concur with my colleague from Mount Royal that this legislation, including the component on the Atlantic Canada Opportunities Agency, should not be returned for six months or, in other words, should be hoisted for hopefully an indefinite period of time. In the meantime perhaps we could have an election to set the slate anew.

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, I listened with great interest to my hon. friend's speech and I have two questions.

First, he is calling for an election. I would ask for the benefit of the House whether or not he intends to seek a nomination or an appointment in his riding. I will explain for the hon. member. A nomination meeting is an open democratic contest. An appointment from the Leader of the Official Opposition is where there might be a contest and he wants to avoid one.

Second, I would like to ask this question. The hon. member admitted he was not here for the finance minister's speech, admitted that he had not read the speech, and then went on to suggest in a number of allegations that the speech did nothing for Cape Breton. On what does he found his criticism?

Mr. LeBlanc (Cape Breton Highlands—Canso): The first question the minister asked had nothing to do with my remarks. It is quite irrelevant to the subject I was dealing with. I do intend to seek the nomination in Cape Breton Highlands—Canso at the appropriate time, to run again and to be elected again to this House as part of a Liberal government under our leader, the hon. member from Shawinigan.

As for the second part of the minister's question, I was on a parliamentary committee outside Ottawa on Wednesday when the minister gave his speech.

I have read summaries of the speech and portions of the economic address. I admitted that I had not as yet read the whole speech and I qualified my remarks by

saying that. What I did read gave me no reason to believe that there was very much in this speech for Cape Breton.

Perhaps after I have read the whole speech I will have a different point of view. If I do, at that point I will make those revised comments before this House but what I have read so far does not give me much reason for hope.

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, I comment to the hon. minister that there is a great Liberal fight in his riding to seek the nomination. I do not understand how that could be. I guess they figure it is an easy riding to win the next time. Do not worry, there will not be anybody appointed there.

My hon. friend is from an area of the country that has really been decimated by this Conservative government and its programs over the years. He gave a wonderful speech outlining some of the problems which have occurred not just in his riding but in all of Atlantic Canada because of the policies of this government.

I did read the majority of the speech on some of the economic background statements and I really found it lacking in any sort of direction for economic renewal in Atlantic Canada.

I know the hon. member spent a lot of time looking at this issue. He spent a lot of time reading about it and studying it. He talked to people in his own riding and throughout Atlantic Canada as to what some of the solutions would be.

Could the hon. member outline for us today some of the ideas he has that will help bring about economic growth in his area?

Mr. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, we have to start working from our strengths on Cape Breton Island. That is the case in Atlantic Canada as it is across Canada.

We need some idea from the national government that its industrial policy and fiscal and monetary policies will be endeavouring to support the Canadian economy and economies in the various regions. The regions need to identify and develop their particular strengths particularly as they relate to the emerging North American and world-wide markets we face.

We have many strengths in Cape Breton. In addition to our work force we have the educational institutions. Many Cape Bretoners attend St. Francis Xavier University near Cape Breton. We have the University College of Cape Breton, the various trade schools and community colleges such as the Nova Scotia Community College at the Strait of Canso, the nautical school and other very qualified educational institutions.

We have natural resources in addition to coal and the forest industries. We have a tremendous super port in the Strait of Canso. We have a fabulous cultural richness and natural beauty across the island which is there to be developed with the support of government in partnership with the private sector in Cape Breton.

Agencies such as the industrial development division of Devco or the Enterprise Cape Breton Corporation which was another possibility that the government is trying to eliminate, as well as an agency in the Strait of Canso could promote the development of the strengths of that part of the island.

With some kind of vision we can produce a focused development effort on Cape Breton Island. We can lower the awful levels of unemployment on that island. We can better use both public and private funds than in the past toward a realistic objective that can empower the people of Cape Breton.

• (1420)

That is where we have to go. In eight years, this government has had absolutely no vision at all in dealing with Cape Breton. It has shown no real interest, aside from offering tax incentives and tax breaks and the odd program of interest buy down and assistance to small and medium sized businesses.

Without any focus, whatever efforts might have been achieved with the dollars, meagre as they were, that were made available to Atlantic Canada and to Cape Breton in particular have dissipated.

We need to focus and to work on our strengths in Cape Breton Island. We need to identify and develop those strengths with the resources, particularly the human resources we have all around us.

I want to thank the member for his very thoughtful question and for giving me the opportunity to speak positively about the future of our island.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, in viewing Bill C-93, I am struck by problems that both the public and many government and opposition members run into when this broad-brush approach is taken by bringing in legislation under an omnibus bill.

I do not knock the government for wanting to do this in some cases. When making small housekeeping amendments it makes sense to put them into an omnibus bill.

However, in this particular case we have 10 different and diverse sections. The bill is fairly substantial. It is 84 pages long with amendments in a number of different areas to a number of different bills. It is a little hard sometimes for members of the public to keep up with exactly what sections and acts are being changed.

It would be handy for any person in British Columbia who is watching at 11.20 in the morning to go through some of the acts that this bill will change.

The bill itself is called an act to implement certain government organization provisions of the budget tabled in the House of Commons on February 25, 1992.

The bill includes ten different parts, the first of which is the agricultural products board. It then changes certain provisions in the Atlantic Canada Opportunities Agency. Part III makes substantial changes in direction in the Canada Council for the Arts and for Research in the Social Sciences and Humanities Act with amendments to the Canada Council Act. Part IV amends the Canadian Commercial Corporation Act. Part V changes Emergency Preparedness Canada. Part VI is the independent review commission for the Royal Canadian Mounted Police.

One will see that this trend is fairly widespread as far as what it is touching.

Part VII deals with the Intellectual Property Tribunal, making amendments to the Copyright Act, Trade Marks Act, Intellectual Property Tribunal Act and various other amendments to other acts from the Financial Administration Act to the Privacy Act.

Part VIII concerns the International Trade and Procurement Tribunal and makes amendments to that particular act and consequential amendments to the Access to Information Act, Financial Administration Act, Privacy Act and others.

Part IX concerns the Petroleum Monitoring Agency and makes amendments to the Energy Monitoring Act.

Finally, Part X is the Veterans Land Administration amendment.

One can see in any omnibus bill we run into the situation where it is a broad-brush approach. We have too much in one bill. I suggest there are certain parts of this bill that should have been broken out and brought to the House in separate bills. For example, if there are minor changes in the Veterans Land Administration Act I can see coupling that with small changes.

In this case we are not looking at small changes. A number of them are fairly substantial. I would like to turn to some of the substantial changes. I refer specifically to those concerning the Canada Council.

Yesterday I attended the reception put on by the Speaker in the Hall of Honour. It was celebrating the 30th anniversary of the Canada Council and the 20th anniversary of the art bank. I think part of what I picked up in talking to the people there and part of what I picked up in listening to the remarks made by the president was that there was a substantial fear of major cutbacks in the arts community.

In Wednesday's economic statement the Minister of Finance indicated 10 per cent cuts across the board and substantial cuts to arts and culture.

It was clear in speaking to the people involved with the Canada Council and the art bank that they are very concerned at the degradation of the arts and cultural community in Canada. We have heard it here today and we have heard it many times before that societies survive and thrive when attention is paid to where they came from and to where they are heading. Societies thrive when they look at and preserve the art and the culture that is so important in explaining societies at any one given time.

That is what is being attacked not only in the Minister of Finance's statement on Wednesday, but also in the February 1992 budget provisions that are now being put into place with Bill C-93.

It might be reasonable at this time to point out some of the problems the arts community has with this particular section. I would like to quote liberally from a release

from the Association of Universities and Colleges of Canada on November 30, 1992. It states:

> As Canadians look to the 21st century and their place in a research and innovation-intensive world economy, the federal government is turning back the clock to the 1970s with its recently tabled Bill C-93. The bill would wind up Social Sciences and Humanities Research Council and transfer its programs to the Canada Council.
>
> SSHRC was transferred out of Canada Council in 1978 after much consultation and study. This move recognized the growing importance of social sciences and humanities research to Canada's over-all science effort and gave it the profile and autonomy it needed to survive and thrive.
>
> Lumping the social sciences and humanities with arts, 14 years later, does not make much sense, especially at a time when SSHRC has already developed partnerships with other research councils in order to find interdisciplinary solutions to our pressing medical, industrial, environmental and human resource problems.
>
> Research in the social sciences and humanities is crucial for our understanding of and adaptation to the rapid social and technological change inherent in an emerging service and information oriented society.

• (1430)

This was a quote from Dr. Claude Lajeunesse.

The communiqué continues: "The proposed changes were announced in the February federal budget without any prior consultation or public study. The government provided no rationale for this takeover other than general references to cost saving". The minister responsible for the Canada Council is admitting that savings from the change will be limited.

The bill also proposes to transfer the International Academic Relations Program from external affairs to Canada Council. We are concerned", states the communiqué, "that such a move would hamper Canadian university participation in international knowledge networks. The federal government should be facilitating this participation, not creating potential road blocks, if Canada wants to attract its university world class scholars and be plugged in to international research".

I think that emphasizes fairly clearly that this community is very concerned. The thrust of what they have been doing over the last 14 years will be watered down by their coupling with the arts community and the Canada Council. I think that is a valid and reasonable fear.

It is also clear that the arts community is concerned about various cutbacks and are concerned about the thrust of their direction and where it will be going with the consolidation of their area with that of humanities and social sciences.

The Association of Universities and Colleges also points out a number of concerns about being taken over by Canada Council. These are valid concerns and should be put on the record. It is concerned that the integrity of the SSHRC granting programs will be not be maintained after it is part of the predominantly arts and cultural agencies. It is also concerned about the role that it will have as one of the key players in Canada's over-all science and technology effort and are concerned that this effort will be substantially diminished.

It is concerned about the growing collaborative links to other research granting councils and that these links could be threatened. That is a valid concern because as you work up a network, you work up a trust among a number of different universities and a number of difference agencies. When your trust is watered down, your viability is not only questioned but also the link between what you are doing and what you want to accomplish and how much you can add to the over-all research is also watered down and questioned.

It further points out its concern that social science humanities research continues to be funded from moneys allocated for Canada's science effort and that these moneys be used exclusively to support research. Of course, it points out that the minister responsible announced a 4 per cent per year increase in SSHRC for the next four years which began on April 12, 1992.

It is further concerned that other research agencies, such as the Natural Sciences and Engineering Research Council and the Medical Research Council, will also eventually lose their independent status. I think these are real and valid concerns.

I should also briefly quote from a couple of letters that we have received with respect to this proposal. In a letter from the International Council for Canadian Studies to the Prime Minister dated November 23, Hans-Josef Niederehe, the president, has stated: "Our concern is that contrary to its intention, such a transfer will in fact prove costly and ineffective. The cost effectiveness of the

present program, which is acknowledged by all who are familiar with it, derives from the fact that it is an instrument of Canadian foreign policy and that it enjoys the full co-operation of the academics abroad who, in effect, deliver it. To transfer this responsibility to the Canada Council, which has no experience with Canadian foreign policy and no contact with academics involved in this program abroad, is bound to incur additional costs and produce a less effective program, and in the process to expose the government to serious criticism".

I think those are valid views to which the government should pay attention.

Also, in a message from the chairman of the European Task Force on Canadian Studies, Cornelius Remie, states in his summing up letter to the Secretary of State for External Affairs:

> We have acted in good faith, urged by the encouragement of your officials, who have shown a marked sensitivity to and respect for the dictates of the academic world. If the planned transfer of the delivery of Canadian studies programs from your department to the Canada Council does not build in sufficient guarantees for the continued support of these programs abroad, there will inevitably be a widespread sense of disappointment, even betrayal, that could well undermine the investments Canada has made in this field over many years. I do encourage you not to let these investments be wasted and the support upon which these rest be eroded.

It is clear the community that has worked in good faith for the last 14 years in building up Canadian studies, humanities studies, throughout the world and throughout Canada, is questioning why a bill such as this would be brought in with no consultation with those involved, after it was switched out and set up after substantial consultations back in 1970 and prior to 1978. Now, unilaterally, the government has decided as a cost cutting measure and a measure that it has admitted will not save that much money, to go ahead and say: "You are going to become part of the Canada Council".

It is not hard to imagine that if we looked in the Auditor General's report alone we could have found the money to have kept these two entities as separate entities. We could have found sufficient funds to continue to fund this particular group as a separate entity, and in fact increase its funding without hurting any other areas. We could have also continued to fund the Canada Council to the extent that it should be funded.

We only have to look to the section, for instance, on the tax havens, where the Auditor General says that there are hundreds of millions of dollars, admitted in questioning in committee, that it could be well over a billion dollars being wasted or lost in tax revenues each year as a result of the tax haven loopholes that this government has brought in.

That is one of the things that I looked for in Wednesday's economic statement. I thought, well, if we have to find revenues, where will the minister look for them? He had to look no further than one week ahead of his economic statement in the Auditor General's report of November 24, opening it up and looking in that section and seeing the Auditor General's statement of "hundreds of millions of dollars of tax revenues are being lost to large multinational corporations and large corporations each year".

Did I see that loophole closed in the economic statement? I looked and I looked some more. The Tories did not close the loophole because they have an election coming up. They depend on those large corporations to use some of the profits they are saving to help runs up to an election. It would be very simple to close those loopholes and try to ensure that things like the Canada Council and the Research and Social Sciences and Humanities Council are kept as separate entities. However, this government has a totally different direction. It is called help your big buddies and leave those who would not help you on their own.

• (1440)

Mr. Milliken: The Tory fat cats.

Mr. Whittaker: That is right. I think the member from Kingston has it exactly. Help the fat cats and we will stay fat on the fat of the land. The member from Kingston is very astute. The fat cats are sitting on the other side and they are making those poor people worry about what they are doing. They are ruining what has been developed over a 14-year period.

Let me turn just briefly to another section before my time is up. It is in respect to the emergency preparedness. Once again, if we look at the Auditor General's report for 1989 and 1992 we will find that there is a fair amount of criticism, not for the people that work within Emergency Preparedness Canada itself, but of the bu-

reaucrats within it. They have not got to the stage where they can deal with a major crisis.

The government should be splitting out major parts of this bill, introducing them to the House as separate bills. It should use some of that wasted tax loophole money to ensure that groups that are hit by this legislation remain viable, independent organizations within the Canadian structure.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I have two questions for my hon. colleague who made some excellent comments on this particular legislation.

My first question is this. I note in this bill there is reference to intellectual property and I wonder what that has to do with this government.

Second, the member referred to emergency planning. If I am not mistaken, in this bill there is a reference now to the whole procedure of emergency planning coming under the aegis of the Minister of National Defence. If it has not changed in the last while, it is my understanding that there are considerable powers given to ministers of the Crown that are laid out by Order in Council as to what powers they would have in light of an emergency.

In the past, in any case, those powers were very Draconian. No one would deny the need for the government to act in emergencies, but given some of the authority that are given to ministers, would it not be better for that authority to be passed by Parliament as opposed to Order in Council by cabinet.

I would like the member to make some observations about that particular situation and how it may relate to this bill.

Mr. Whittaker: Mr. Speaker, I thank the member for Prince George—Bulkley Valley. He has obviously studied the area of emergency preparedness fairly carefully, being from British Columbia. He knows the problems, particularly on Vancouver Island and the lower mainland, with regard to earthquakes. This is a bigger problem if we look at things that the Auditor General touched on such as the Bhopal and Chernobyl problems.

These are things that while we are quick to say they happen elsewhere but would never happen here, we have to acknowledge that in fact those are real problems that could occur within our own country.

We have to ask how important is this. I have to agree with the member that the importance of this is so great that it should be brought before Parliament and debated. The power should be here with Parliament as opposed to allowing a minister to delegate the power to one of his chiefs.

I think the thrust has to be that we as parliamentarians have to ensure that Canadians are protected particularly with respect to such things as earthquakes that are always present in the minds of those in the lower mainland on Vancouver Island. As a matter of fact, we had an earthquake within the last year through the Okanagan region. I think we have to be very cognizant of the difficulties involved.

I think now with major chemical plants and the possibility of major problems such as in Bhopal we have to be very aware that throughout the industrial regions we have to have the ability to deal with those particular problems.

With the nuclear plants at Pickering and particularly the province of Ontario and some of the Atlantic provinces, I think there is a real problem. We say that our technology is such that we do not have to worry that much. It is not as much of a problem as it was in Chernobyl. We have to be very much aware after Three Mile Island that this could be a distinct possibility, coupled, for instance, with an earthquake in an area where there is a nuclear disaster. We have to watch that.

Look at what happened in Hanford in Washington state below the British Columbia border. If there is a major event down there are we prepared to deal with that in the provinces of British Columbia and Alberta? I think the answer right now is probably no. Those are the things we have to look at and that we as parliamentarians have to deal with.

I would like to deal now with his first point, that of intellectual property. While it is a complex matter dealing with copyrights and trade mark legislation, I think it is a comment on this government that perhaps it is bankrupt in the area of intellectual abilities as opposed

to intellectual properties because it seems to me it has all the property but not much intellect.

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, I commend my colleague for his usual incisive speech. He has obviously studied this bill where others have probably feared to tread. It is a kind of daunting bill and I know the Official Opposition House leader called it an ominous bill. I know he meant to say omnibus bill but conceivably it could be ominous because we are not quite sure what exactly is in the bill.

I will say perhaps my colleague went a little too far when he suggested the member from Kingston was astute. I took exception to that at that particular time. Some might suggest this might be a housekeeping bill but after having gone through the bill I notice CITT, the Canadian International Trade Tribunal. That is our answer to the American commerce department.

Not only do Canadian firms have to deal with negative rulings from the American side, we have had to deal with considerable negative rulings against Canadian companies by our own Canadian trade group which is really quite disconcerting to all of those Canadian companies.

At first blush one would think this perhaps is totally innocuous and it has no impact upon anyone. I suggest after further review of this bill that it could be considered not innocuous but noxious.

I think the member rightly pointed out that in all likelihood there was no consultation on this bill whatsoever. I do not know if I have a question for the hon. member. Perhaps he could comment. Tell the Canadian people who are watching out there if this is a consequential bill or inconsequential as the government would have us believe.

Mr. Whittaker: Mr. Speaker, in response to the question I think it is very clear that there is a lot hidden within this bill. There are some things that could be looked on as housekeeping such as the Veterans Land Act. I do not necessarily look on it as a housekeeping bill. What it does is essentially fold in the Veterans Land Act under the Deputy Minister of Veterans Affairs.

• (1450)

Perhaps if we looked at the number of people left after the two wars and the Korean War who qualified under VLA, the numbers did not warrant keeping the Veterans Land Act. If that is correct then I suggest that maybe that is the route to go. There should have been substantial consultations to make sure that people understood, that veterans did not feel threatened when they heard that their VLA was being shut down. In their golden years they should be feeling secure.

Look at other things—the Solicitor General was here—with respect to the Royal Canadian Mounted Police. It is fairly substantial what it is doing. I cannot disagree with the thrust of the changes because it seems to me that it is taking two boards and making an independent external review board out of them. That perhaps is positive but it is a fairly substantial change. I think it is a change that should be discussed and considered. There should have been a little more consultation.

Therefore, I think the member is correct when he says that it is a fairly substantial bill, not inconsequential and not simply a housekeeping bill.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I am pleased to have an opportunity to debate Bill C-93 arising out of last year's fateful budget.

We have had two budgets in the last 12 months. The economy is in a mess. Clearly the first budget was wrong, as we said at the time. I remember in the budget debate we made the point that the government was overly optimistic in all of its projections and had done nothing to stimulate the economy, which we felt was essential at that time.

The minister disagreed and said that everything he was doing was stimulating to the economy. We now know that was false and wrong.

We have had a second budget delivered this week which is called an economic statement, but nevertheless it had all the trappings of a budget. It indicated how wrong the minister was when you see what the deficit has done; increasing by something like $9 billion since his original projection last February. It is hard to imagine that the finance minister could have been more off base than this one has been although his predecessor was not much better.

Mrs. Maheu: He is a Tory.

Mr. Milliken: As my colleague says, he is a Tory, but our expectations still must be reasonable; perhaps not high but at least reasonable. However, I do not think we have even reason from this particular minister in these particular budgets.

Mr. Edwards: Remember Allan and Marc Lalonde.

Mr. Milliken: The hon. member opposite is hollering about a very capable former Liberal finance minister. He would do well to have his minister follow that example. The Solicitor General wants me to name a famous Liberal finance minister. We have two who are members of this House right now who come immediately to mind. The Leader of the Opposition was a very famous Minister of Finance and the former Leader of the Opposition, the hon. member for Vancouver Quadra, was a very famous Minister of Finance who had a balanced budget.

Mr. Edwards: The last one ever.

Mr. Milliken: As the hon. member says, the last one ever. This is all the more reason for him to be raised on a pedestal and cast in bronze. I invite hon. members opposite to see that a suitable statue is erected to the memory of this great man who is a former leader of our party and is now serving this House in the distinguished position as member for Vancouver Quadra.

I now wish to turn to Bill C-93 which the government feels offers some salvation. There are points in the bill with which we in this party are in accord. We think some of the changes are worth while. We do not always dump on everything the government does, contrary to popular expectation and certainly popular perception.

However, the points that we are in agreement with are relatively narrow ones. We concede that the winding up of the directorate of the Veterans Land Act and consolidating that work with the deputy minister's office is a sensible change, especially when no new grants under that act have been available since 1975.

We are also willing to acquiesce in some of the other mergers that are proposed in the bill. However, there are a couple that warrant very close scrutiny and ought not to take place. I want to speak specifically about the proposal to merge the Social Science and Humanities Research Council with the Canada Council.

My constituency is one that boasts very capable people in both fields who would be touched by this bill. Kingston has a very vibrant cultural community which benefits from the grants that are given by the Canada Council. Kingston has writers, painters, musicians, artists of all kinds who benefit from these grants, who are recipients of these grants. There are publishing companies that operate in Kingston and receive these grants to help them publish books that would otherwise be unavailable to the Canadian public.

The work of the Canada Council is vital and important. We have witnessed under this government cutbacks in the council's funding until recently when I understand there was some additional money provided.

The fact is the Canada Council has not fared well. Clearly the Conservative government regards culture as an optional extra. When it comes to dealing with things it feels government should do, it looks more at running a post office or road building and running a government like a business than it does in looking at things that are important for the self-expression of our people and that is in the arts.

The arts community in Canada is very important for our cultural and national identity. It is a very important method of self-expression for Canadians. It helps us realize our true identity as Canadians in operating and carrying on our separate existence on the North American continent. Any attempt to stifle or lessen the importance or the vibrancy of Canada's cultural community is a serious move and one that the government it seems to me has undertaken cavalierly and without due regard to the consequences throughout the eight years that Canadians have suffered badly under the government opposite.

In speaking in its defence there has been no particular change. However, there will be a subtle one to the Canada Council in that it will now take over responsibility for the Social Sciences and Humanities Research Council.

That body operated for quite a different purpose and that was to grant funding to researchers involved in the social sciences. Sometimes there was overlap. Sometimes the social science research impinges on cultural matters, but generally speaking it does not. It generally deals with things in terms of sociology and politics and

the study of political science and psychology and that kind of study.

Instead of keeping that as a second group the government has seen fit to lump the two together as a cost saving measure. We have seen no figures yet on how much money is to be saved by this merger.

I suggest when we look at the total savings projected from this bill and projected in the budget, they are peanuts. In the particular case of the Social Sciences and Humanities Research Council I am sure the savings are minuscule. Most of the staff will have to be retained to do the work. It will do it out of the Canada Council office which may save a little in rent but I expect it had to expand offices to accommodate this group. The important work of the Social Sciences and Humanities Research Council is carried out in the course of peer review of the applications for funding.

Most of the peer review—I think I can say all of it—is done for free. There is no charge levied by the social scientists, the sociologists, the political scientists, whoever, who sit on the review panels to decide who receives grants from the Social Sciences and Humanities Research Council.

There is a central processing office where the grant applications go. There is apparently some initial screening and then there is peer review of the various applications done gratuitously, free, by Canadians involved in this work across this country.

All that costs the government nothing. What it does is provide an excellent review of the work which is of benefit to the social scientists involved, but it also then assists the council in making a decision as to who and who does not get the funding.

It seems to me that given that approach, why should this group be lumped with the Canada Council whose aims and objectives are really quite different from the Social Sciences and Humanities Research Council? The government has decided as apparently some kind of cost-saving measure that these two bodies should operate out of one place. It is not reasonable and the government should abandon this part of the bill.

My time has expired. I will continue my remarks the next time this bill is called.

The Acting Speaker (Mr. Paproski): The hon. member will then have 11 minutes remaining in his speech, plus 10 minutes questions and comments.

[*Translation*]

It being 3 p.m., the House will now proceed to consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*Translation*]

PARLIAMENT OF CANADA ACT

MEASURE TO AMEND

Mr. Guy Saint-Julien (Abitibi) moved that Bill C-372, an act to amend the Parliament of Canada Act, be read the second time and referred to a legislative committee in the Departmental envelope.

He said: Mr. Speaker, first of all I would like to thank the Conservative member for Don Valley East for seconding my motion today. I also wish to thank the Conservative member for Terrebonne, who seconded it the other day when I tabled this bill, whose purpose is to amend the Parliament of Canada Act.

I stand here in Parliament today on behalf of all Canadian taxpayers, the people who pay our salaries and our expenses. As I said on November 19, the purpose of this bill is to require the disclosure of expenses made by members of the House of Commons in connection with their parliamentary functions.

I propose that every member of the House of Commons shall, each year, within 30 days after October 31 and within 30 days after March 31, prepare a statement of expenses incurred in connection with a member's parliamentary functions. This bill would take effect on the first day of the Thirty-fifth Parliament, in other words, after the next election.

I think that is appropriate, since all members of this House—and there are 295—will go before the electorate in every riding of this country, and that is where, the effectiveness of a member, whatever his political stripe—whether he is a New Democrat, a Tory, a Liberal or a member of the Bloc Québécois or an independent member—will be judged.

What will they tell the voters? Will they be in favour of disclosure of their expenses or will they be against disclosure? In any case, Mr. Speaker, I would like to say,

first of all, that I am not the first to consider this kind of legislation, since the subject came before the House on December 18, 1990. I suppose many members may have forgotten, or did not have a chance to read, the *Votes and Proceedings* of December 18, 1990, where it says under *Presenting Reports from Committees* that Mr. Danis, from the Special Committe on the Review of the Parliament of Canada Act, presented the sixth report of the committee, which is as follows: On December 14, 1989, the House of Commons, by unanimous consent, approved the following motion: "That a special committee of the House be appointed and empowered to review the Parliament of Canada Act regarding the powers, duty and obligations of the members of the House in relation thereto and regarding the authority, responsibilities and jurisdiction of the Board of Internal Economy—"

"Since its mandate began in December 1989, the work of the special committee has ranged widely over many of the legal and administrative structures relating to the House of Commons and its members. In the course of the past year, we have tabled reports dealing with such diverse matters as the general principles that guide the activities and functions of members, procedures relating to the execution of search warrants within parliamentary precincts, and extensive amendments to the Parliament of Canada Act. The special committee also sat as a legislative committee in relation to Bill C-79, which arose directly out of the committee's work, and reported that bill back to the House last month after intensive study".

"Thus, over one full year, much has been accomplished; but there is much yet to do. The purpose of this report is to indicate the outstanding matters that the committee believes remain to be addressed. Some of these are related to issues discussed in earlier reports, while others flow from the passage of Bill C-79. The committee has concluded that all are important to the members of the House and the public we serve, and are therefore worthy of future consideration".

A little further, in the same report tabled on December 18, 1990 by the hon. member for Verchères, we see the following heading: Public disclosure of expenses. We must remember that the committee consisted of members of all the opposition parties, Conservatives, Liberals and New Democrats. I shall continue: "The committee has concluded that there should be increased disclosure of those expenses over which members have direct control." The Canadian people have a right to know how the money that is entrusted to their elected representatives is being spent. Mr. Speaker, that was on December 18, 1990. On January 14, 1991, in my federal riding of Abitibi, in my home town of Val-d'Or, I gave a press conference and read these proceedings.

In a spirit of openness and financial accountability to the electorate, information should be made available on the use of such funds. The committee remains uncertain, however, about the best way to achieve this goal. In devising a system, the principle of accountability must be weighed against the principle of the independence of members, and a proper balance struck between the two. Disclosure must be detailed enough to be informative, but not so detailed that the purpose of disclosure is lost in a mountain of irrelevant detail. The privacy concerns of employees must also be respected, as must the privileges of members. All of these aspects of disclosure, as well as all the administrative details that would need to be developed, deserve thoughtful consideration."

That is where I decided to take the lead on behalf of the taxpayers of Abitibi, Quebec and Canada. I told the media that I would publicly disclose my expenses every three months, because for me, it is essential to control expenses paid from public funds.

Given the federal government's sustained commitment to restrict spending in departments, Crown corporations, et cetera, the people of Abitibi are entitled to know how their member of Parliament spends the money given to him. In a spirit of openness and accountability, following the tabling of some bills and the sixth report on December 18, 1990, I told the media that I would go ahead and disclose my expenses.

A little later, in February 1991—it is important to give the dates. Hon. members think that I am doing this for electoral or political reasons, in order to get votes. If that were the case, I would have waited until just before the election, but I did not wait. I made this decision on January 14, following the recommendations in the sixth report of the committee on the Parliament of Canada Act which recommended that we disclose our expenses.

I have a letter here from the Speaker of the House of Commons dated February 8, 1991. I will read the paragraph on reporting expenses: "As you know, the Special Committee on the Parliament of Canada Act recognized that expense disclosure is an important subject which deserves thorough investigation." This is not just anybody; it is the Speaker of the House of Commons.

A little later, in September of the same year, I disclosed my spending in the previous quarter for the people of my riding, that is my riding expenses and my office expenses.

I see the Liberal member from a small, isolated, remote part of the Island of Montreal trying to interrupt me. Anyway, she does not even dare to publish her expenses for the taxpayers.

I have a letter here dated September 5, 1991 and signed by the Clerk of the House of Commons, one of the best clerks in Canada, Robert Marleau. He wrote this in his letter: "nevertheless, nothing prevents members from voluntarily disclosing their expenses, as you have already done—".

On September 25, 1991, I tabled Motion M-591 in this House. It said that the member for Abitibi would table a quarterly report of all his expenses, including privileges, as of August 1, 1991. It is important for me to tell Canadian taxpayers and my constituents all I have done since December 18, 1990, when, before Christmas, I read the proceedings of the Special Committee on the Parliament of Canada Act, in which there was a really important recommendation for all federal MPs. It would set an example for Canadian public servants and all provincial legislators. That is important. Later, I made a first attempt to table a document in the House on November 5. I then asked the House for unanimous consent to table, in both official languages, a briefing note entitled, "Expenses incurred in the performance of my duties as member of Parliament for Abitibi for July, August and September 1991". I was refused the first time. On November 6, I was refused a second time and on November 7 I was again refused. I stopped, because if I did that every day, I would still be refused, and it gets on members' nerves.

• (1510)

That month, the Speaker of the House of Commons was presented a report of the audit of the House of Commons administration by the office of the Auditor General of Canada. That is not just anybody. It is a study of the Parliament of Canada and members' expenses. We see in section 6, on members' expenses, that members spent $116 million or 53 per cent of the total spent by the House of Commons.

I want to say that there are several really important things in this report and I must tell Canadian taxpayers about them, because not all taxpayers have access to this report. The reason I quote some parts is that it is important in showing why I, the member for Abitibi, disclose my expenses. I am the only MP to do so even though mayors and councillors disclose theirs every month in their city or town.

Paragraph 6.9 says, "We reviewed the administration of members' expenditures and tested a sample of individual transactions, invoices and claims submitted by members for payment. Our audit of the Comptroller's financial procedures concerning members' expenditures disclosed few problems".

Members pay attention to their budget and are not wasteful. Whatever our party, we have a budget, a salary, offices, funds for travel, et cetera. And the Auditor General says that there are few problems. So why do we not publish our expenses? It is well described in the report. There is no shame in publishing our expenses. I am not ashamed and I have been practising for it since January 14, 1991. The taxpayers thought I was spending a million dollars a year. I proved that my expenses were $236,000, in addition to my salary.

There are several important recommendations in this report. Members are not informed and no statement on our expenses is provided regularly to the administration of the House or to members.

One thing I did since February 1990, after the finance minister's budget, is that I checked how much I cost. Before, I did not check. It is as if I did my weekly grocery shopping with $200 in my pocket and left the store without a bill and it cost $800. Today I can say how much I cost and I have practice with it.

In paragraph 6.39, the Auditor General says, "Public disclosure of members' expenditures needs to be expanded. We have earlier recommended that more information be made available to the members themselves, and to the board. If these recommendations are accepted, it will be an easy, and yet important, final step to make public the details of members' expenditures. We believe that publication of this information, coupled with the

publication of financial information on House administration, would enhance public accountability".

There is one thing I want to say to hon. members: It is not true that everything is public. Paragraph 6.40 on page 30 of the report on the House of Commons audit says, "Each year in the public accounts, the House reports a statement of indemnities, expense allowances and travel expenses by member. This represents only 37 per cent of members' expenditures".

Further on, in paragraph 6.43 of the same report, it says, "If the public disclosure we are recommending were put into effect at the beginning of the next Parliament, it would provide members with an opportunity to adapt to such disclosure and would provide the House administration with the time to develop the necessary means of providing it".

Recommendation 6.44 is as follows: "Information on all expenditures of members should be publicly available, at a reasonable level of detail, effective the next Parliament".

That is why I have been making my expenses public for several years now. I have received hundreds of letters from taxpayers from Vancouver, from coast to coast to coast, from my riding and elsewhere in Quebec and in Ontario. These are just a few of the letters of support I have received. I even got one from an 84 year old constituent congratulating me for doing this, a first in 125 years of Canadian history.

I know that I am running out of time—I do have 20 minutes—but I want the Canadian people to know how much I have cost them in 1991. My total expenditures for that year amounted to $236,901, plus my salary and so on. I have three constituency offices and one parliamentary office. Insurance costs were $578; post office box, $261; travel expenses for myself, my family and my staff, $33,670. That is not much, considering that, apart from the two Territories, my riding is the largest in Canada, with 553,837 kilometres square, including the northern tip of New Quebec.

Photocopying, $3,650; office rental in Val-d'Or, Amos and Senneterre, $25,639; stationery, office supplies in Ottawa, Val-d'Or, Amos and Senneterre, $7,337; my staff's salaries, $110,471 gross; telephone service in Ottawa, $6,500; telephone service and equipment rental in my riding, $26,600; translation, approximately $5,000; travels in Canada and abroad, $1,233. Householder mailings did not cost me a cent. There were none this year because I wanted to save the money of the taxpayers on account of the recession. Travels in Canada—ask my family—none; travels in Canada and abroad, none; travels for sponsors, none either.

I consider government as a public institution that should abide by the same rules as a municipal board or a private company. For instance, what would happen if the management of a company decided not to produce a financial report for its shareholders? I do not think that it would last very long.

Elected members of Parliament have a duty to be transparent, whether they like it or not. There is nothing personal in making a member's expenses public. What is embarrassing about that? We are still in a recession. All governments have to tighten the belt. Elected members of Parliament must set the example for their staff. I cut my expenses and privileges to do just that because I know that change has to be instigated from the top.

In closing, I must say that the worst enemy of parliamentary democracy is secretiveness. I would like to ask you this, Mr. Speaker: to settle the issue, could I find unanimous consent in this Chamber to put this bill to a vote at the end of the day.

[*English*]

The Acting Speaker (Mr. Paproski): The members have heard the terms of the motion. Is it agreed?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Paproski): It is not agreed. I regret the hon. member's time has expired. The hon. member for Gaspé now has the floor.

[*Translation*]

Mr. Saint-Julien: Mr. Speaker, on a point of order. I did not get unanimous consent for my request. I noticed that the "no" came from the Liberal member for Saint-Laurent—Cartierville.

[*English*]

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

Mrs. Maheu: On a point of order, Mr. Speaker, I respect your judgment on the last intervention. I believe it was not a point of order. It was a point of partisanship.

The Acting Speaker (Mr. Paproski): It was not a point of order. I do not know where the no came from but there was a no. Therefore, we will now go to debate.

Mrs. Maheu: Mr. Speaker, a point of order. There were two noes, one from each side of the House.

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

[*Translation*]

Mr. Charles-Eugène Marin (Gaspé): Mr. Speaker, I am pleased to rise today to speak on the bill put forward by my colleague from Abitibi to amend the Parliament of Canada Act.

• (1520)

The purpose of this bill is to require the disclosure of expenses made by members of the House of Commons in connection with their parliamentary functions. The hon. member's bill would amend the Parliament of Canada Act as follows, and I quote: "Every member of the House of Commons shall, each year, within thirty days after October 31 and within thirty days after March 31, prepare a statement of expenses incurred in connection with the member's parliamentary functions and shall immediately deposit such statement with the board".

The board may make bylaws exempting members of the House of Commons from preparing a statement of expenses where, in the opinion of the board, the period of time between the beginning of a Parliament and the time at which the statement of expenses is to be prepared is so short as not to warrant the making of such a statement. Third, the board may make bylaws prescribing items to be included in a statement of expenses, including expenses relating to salaries of a member's employees, rent for constituency offices, travel, stationery and telephone. Furthermore, the Speaker shall table before the House of Commons the statements of expenses on any of the first 30 days after the statements are deposited by the members with the Board.

The Board of Internal Economy, as created by the Parliament of Canada Act, is responsible for financial and administrative affairs concerning the House of Commons, its premises, services, staff and members.

The board may make bylaws to regulate members' use funds, goods, services and premises made available to members within the context of their parliamentary functions. It may also make bylaws concerning management and accounting of funds made available to members. The Speaker shall table these bylaws in the House of Commons within 30 days after their approval.

Finally, the board has the exclusive authority to determine, bearing in mind the nature of its functions, the proper use by members, of funds, goods, services or premises available to them on the basis of their parliamentary functions and more specifically, whether that use is in keeping with the letter and intent of the bylaws.

The Parliament of Canada Act provides for sessional allowances for members of both Houses of Parliament. It also provides that any member of each House of Parliament shall be allowed certain expenses, such as moving, travel, transportation and telecommunications expenses.

In the course of an investigation by a peace officer into a member's use of specific funds, goods, services or premises, the peace officer may request an opinion from the board on the propriety of that use.

We must remember that a member of Parliament may face charges in court in the case of unlawful use of public funds. We already have mechanisms for monitoring members expenses.

Over the years, there have been a number of changes with a view to improving the existing system. I think everyone will agree it is important to ensure that taxpayers' money is used wisely and appropriately.

As members of Parliament and elected representatives, we must have an abiding concern for the proper use of public funds. Mr. Speaker, at this point I would

like to consider in a more general way the issue of a member's accountability.

In fact, the issue raised by the hon. member for Abitibi is above all one of being accountable to the people of Canada. We are elected by the people and we are accountable to the people. We do this in various ways: through our presence in the riding where we were elected, by listening carefully to members of the community, and by always being available to help our constituents.

We are accountable in the House, when we take part in many debates on important issues when we put questions to members of the government, and when we draw attention to the problems of our fellow citizens. We are accountable through our participation on parliamentary committees, by ensuring at all times that the interests and the well-being of Canadians are always considered when important initiatives or legislation is discussed. Ultimately, we are accountable to the people at election time, when we show them what we have accomplished as members of Parliament during a given mandate. The people then decide whether or not to give another mandate to their representative it in Parliament.

We all agree that public moneys should be used in an appropriate manner. Some mechanisms are already in place to control members' expenses. It is in compliance with those rules that we will accomplish our duties as members of Parliament.

[*English*]

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, I would like to respond on behalf of the New Democratic Party for a few moments. The member for Abitibi has received some notoriety on this subject, and gained perhaps both good and bad publicity.

He is a pioneer in this area and we salute him for the concept he puts forward. I know he must feel frustrated in his desire to bring forward this idea.

I have recently gone through a private member's bill that I felt was significant enough to move beyond a couple of votes and into committee. Fortunately I have reached that point. I have to thank both other parties for allowing that to happen. I also am quite aware of the long, rocky road to that final end and even when you get there, you may not be gratified with the results.

We do salute the member for his continued perseverance against great odds. I am sure he is receiving static from within his own caucus.

We must be accountable in this business of politics for the money we spend from the public purse. We must not only be accountable, we must not only be honest, but we must appear to be honest. The perception is of as much significance I suppose as the accounting.

I am sure that several members would be afraid of the static that would come forward. I just looked at my travel budget which brings me to work in Ottawa from Sault Ste. Marie once a week. I figure it out to be approximately $28,000 per year. I am sure some of the constituents back home say it is quite a price tag to send me to work on their behalf.

I should point out that it costs $670 for a return trip between Sault Ste. Marie and Ottawa at least once a week. I could travel to London, England, every week cheaper than going to Ottawa to work. That is an anomaly. That is the way the airline fares treat us and I suspect that next year it might cost $750 for a member of Parliament to get to work each week. However, that is the reality of it.

We are looking to move our office. The lease is going to run out. We now spend $800 a month for accommodation. I am disclosing my expenses, as did the member, in a forum that is not appropriate but I am not afraid to do so. It costs $800 a month rent where we are. Our lease is running out. In order to find an appropriate spot within the community we will have to pay considerably more. We have outlived our accommodation but it is very expensive to move. I am not afraid to indicate to constituents what exactly their tax dollars are going toward.

I can appreciate that some people would be fearful of manipulation of certain statistics and have grave concerns about that as an individual.

I would ask that perhaps we as MPs could take the lead from the hon. member for Abitibi and disclose, as he has done. I have no problem with that. Perhaps I have not taken that initiative to this point, but it does not mean that I am fearful of doing just that.

• (1530)

I am sure the hon. member has been accused of self-aggrandizement with this initiative. I am sure people have suggested grandstanding, that he is not trying to set an example for anybody; he is just trying to show up other members of Parliament. I will take him at face value since he has been at this for so long. I would

suggest he is probably very sincere in his intent, in what he is attempting to do.

With that I suspect the member appreciates this may very well be coming to a dead end sooner rather than later. The New Democrats at this point would request unanimous consent to have Bill C-372 referred to committee for further study.

The Acting Speaker (Mr. Paproski): Members have heard the terms of the motion. Is there agreement?

Some hon. members: No.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, this bill is an interesting concept and I congratulate the hon. member for Abitibi for having brought it forward.

He obviously has thought about the question that he has raised. I know he has persisted in attempting to file with the House his statement of expenses. I recognize this bill as the product.

[*Translation*]

This bill is the result of the efforts that he has been making in this House for a long time. I congratulate him on that but I do not think that this bill is a good one and it should not pass second reading.

[*English*]

What the member has proposed could be dealt with by by-law by the Board of Internal Economy. I have every reason to expect that something along these lines is being considered by that board. As the hon. member may be aware, I am not a member of it so I do not attend its meetings and I have no more information as to what goes on there than he has. But I am aware that the board has looked at the possibility of publicizing additional information about members' expenses than has been the case hitherto.

As he knows, the Public Accounts of Canada contain details of the expenses that members incur in travel. I understand the Public Accounts of Canada are delayed this year. The government does not have them ready. One suspects it is trying to fix the books; there is so much red ink in them that it has to get them printed in the proper way in black ink so that it does not show up.

Mr. Edwards: That is an imputation.

Mr. Milliken: No, no, no. I did not say that it had cooked the books. I avoided that. I said it is trying to fix the books and it has to get them fixed up. They are late. They should have been tabled two days after the Auditor General's report. That is the standard practice. Guess when they are coming before the House. It will be on December 10, the day before we adjourn, so we cannot ask any questions. That is what is going on.

However, aside from that, the figures will be published for travel. Last spring the management committee had before it the Auditor General who had completed a study on the House of Commons and the way it operated. The Auditor General was critical of the way this House reported on financial matters, particularly individual members, because members get many things provided for them by the House that are not charged to members' operating budgets. The recommendation the Auditor General made—and frankly in principle it is a very good recommendation—was that members' operating budgets be increased and they be charged for expenses they incur for which the House is currently paying.

That includes things like long distance telephone calls, office equipment that is available on the Hill, the travel budget generally which could be added to the member's operating budget and the expenses charged out against it, the stationery supplies which are currently provided for free, as well as householder expenses which could be charged to an operating budget.

In that way members would take some considerable responsibility for the expenses they incur instead of the current arrangement where since these things are provided for free the member is not encouraged to use any thrift or particular judgment in deciding whether or not to spend the money. The money is not accountable. The House absorbs the cost. It is free to the member so it is simply a matter of using a privilege that is extended and using it fully or less than fully. The fact is that the privilege is there.

I would be quite happy as a member to have my budget increased and then have the ability to spend the money in different ways within the budget, deciding what I think is a priority. If I consider travel a priority then I can opt for more travel. If I consider householders a priority, I can opt for more householders. If I consider telephone communication a priority, I can opt for more telephone

calls and so on. That to me is the way the place ought to operate. I think it is fair and reasonable.

The question is: How much of that do we then report? Once members are on the same basis it is reasonable to expect that some reporting mechanism would follow so that people could see roughly how members spend their budgets. The total amount ought to be disclosed. The breakdown into various categories could be discussed, settled upon and made a subject of disclosure.

It is a matter for the Board of Internal Economy to deal with and pass a bylaw concerning, and members will then be bound by it. I do not think it is necessary to do it by amendment to the Parliament of Canada Act which is what the hon. member is proposing in this bill.

Some say with some justification that it would hardly be fair that a member who lives in Yellowknife, Whitehorse or Vancouver would have the same budget as somebody who lives in Ottawa or in Kingston. Fair enough. The budgets will clearly differ because the travel component has to reflect the difference in travel costs for these members.

Every member could be granted a base of travel amount to cover exceptional trips and then be allowed a reasonable amount for trips to and from the constituency. That could take up the bulk of the trips that are now given. As it is, members are encouraged to book their trip at any time they feel like, at whatever ticket price they can get, and there is no incentive imposed on members to take trips at the lowest possible rate or to seek to get an economy fare at any time. There is no advantage in doing so because the member does not have to account for the money and it is not charged to his or her operating budget.

If it were part of the budget and the member was spending the money and having to account for it, there would be a much greater incentive for saving. It makes sense that the Board of Internal Economy looks very carefully at such a proposal.

There are lots of ways the administration of the members' budgets could be cleaned up. I am not sure the proposal put forward by the hon. member goes far enough or anywhere near far enough in solving that problem, because there are so many expenses that are not reported now and would not be reported under this bill unless the changes that I have mentioned and that were recommended by the Auditor General were implemented at the same time.

I feel this bill is a little premature. I do not think it is worth proceeding with at this stage for the reasons I have outlined. It is appropriate that the member raised the issue here. I am glad it has been discussed in the House today. I support the principle of the bill, to the extent that I believe reporting is important for members of Parliament. I think the public has a right to know more about the way we spend our money. It is public money and I am quite happy to account for it.

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I appreciate the opportunity to participate. I rise today to speak on this bill because I believe it raises the important concept of accountability to our constituents, to those who elect us to represent their views in the House and Parliament.

The purpose of the bill before us today is to require a disclosure of expenses made by members of the House of Commons in connection with their parliamentary functions. It would require that twice a year members of Parliament publicly declare their expenses.

This is a laudatory objective but one which at the moment I cannot support. I cannot support this bill at this time for two fundamental reasons. The first is because, as explained by the Auditor General, there are not the accounting systems yet in place to allow each member of Parliament to determine with any accuracy his or her expenses. Second, because it will lead to an unjust comparison between the ways in which each MP decides to fulfil his or her role as a member of Parliament.

As the hon. member for Kingston and the Islands has just suggested, he might choose to put out more householders and do less travel to the riding or vice versa. That point was recognized by the Auditor General in his report of the audit to the House of Commons administration, a piece of bed-time reading with which I know Your Honour is very familiar. At page 2 the Auditor General under point 1.9 says: "A new approach to members' expenditures is needed. The House like all legislatures has a difficult balancing act. It must provide support to members to facilitate their work but yet do so with fixed resources. One of the simplest ways is to

establish specific limits and restrictions. For example the House permits members to send annually no more than four newsletters, called householders. Although this no doubt curbs wasteful use or misuse, it restricts the member to some extent. For example the member who thinks that bi-monthly householders are a more effective way to communicate than frequent trips to the constituency, cannot make that choice".

• (1540)

Let us go back to the first reason as laid out by the Auditor General. We know that the Public Accounts of Canada list the expenses of each member of Parliament. These expenses are broken down into three categories by indemnities, by expense allowances and by travel expenses. Those are the three large categories of expenditures.

The Auditor General examined the House of Commons administration in 1991. I first of all would like to state that he clearly concluded that all provisions approved by the Board of Internal Economy were complied with in all but a few minor cases. He stated the transactions were accurately and completely recorded.

To return to the categories of expenditures displayed in the public accounts, the Auditor General stated that three categories of expenditures did not capture all expenditures of MPs. This is because the House of Commons budget provides services to each member which are not included in these three categories. In fact, the Auditor General stated that the public accounts cover only 37 per cent of members' expenditures.

A member uses a common pool of services but does not know the cost of his own use of those services. Those services include such things as printing, telephone, postage, et cetera. I do acknowledge that we can demand, as I do, a monthly print-out of our telephone bills in order to keep a watchful eye on that. I find that to be a useful control.

In addition to these services, there are also the research and media monitoring provided by the House of Commons. Procedures have been developed which allow us to allocate overhead costs to individual members. I submit that rendering accounts which are not complete and accurate would be a meaningless exercise. I also believe that it would lead to a sense by our constituents that they might have been deceived and thus the effect of the bill could be the opposite of what is intended.

The ultimate objective of such attribution of costs and disclosure would be to make MPs more cost conscious. I know that the hon. member for Abitibi believes that a 20 per cent reduction in Parliament's expenses could be achieved.

I am happy to note the work of the House management committee in this regard. Members are aware that in 1992 the committee for the first time undertook a vigorous and detailed study of the estimates of the House of Commons. The committee also made the budget planning document available to all members of the House and to the media. It was an important step in opening up the process and stimulating public and parliamentary debate on the cost of operation of the House of Commons.

In a further step the committee recommended that the area of MPs' travel should be reviewed to identify whether potential savings could be achieved. A large number of other issues were raised by individual members during the course of the committee work. These include privatization of various services and programs and reduction of the cost of householders.

I note that the hon. member who sponsored this bill sends only one householder per year, or previously did. I believe I heard him say that this year he had sent none, rather than the four which are permitted by our rules.

My principal objection to the bill is not with the concept of reducing costs, but how cost disclosure could be interpreted.

Let us look for a moment at what we would define as parliamentary functions. There are four main functions which Parliament fulfils: first, approval of supply or the funds necessary for the operation of government; second, law making by which policy principles and administrative mandates are approved; third, the calling to account of ministers under the framework of ministerial accountability; and, fourth, representing constituents in all of the above functions and acting as an intervener in the constituents' interactions with government. I wonder whether a dollar figure could be really attached to these

functions? This is my second reason, which I mentioned earlier, for objecting to the bill.

I want to relate certain events in the life of three members of Parliament, all of which are true and none which will reveal the name of the member of Parliament. These stories will demonstrate why the fulfilment of parliamentary functions cannot be accounted for in dollars and cents.

The first has to do with a member who is no longer sitting in this House. He represented a riding in northern Ontario and several times a year he was able to organize visits to this place by his young native constituents. He would work tirelessly through the year with local service organizations to raise money to pay the fare of these young constituents and then he would cajole and bend some arms of his fellow MPs to have these young people stay with them while they were in Ottawa. These constituents would come to Parliament and watch this place in action. A colleague would take them in to Question Period, he would guide them into the Senate, he would sit with them in committee.

Over the course of several days this member of Parliament would pay for their meals. The constituents coming from small Indian reserves in northern Ontario would not have been able to feed themselves while away from home. This member wanted these young people to experience the democratic process of this place. He wanted them to see how Parliament worked. He paid for this from his salary and his expense allowance. Those are the hard facts and figures.

But how do we account for the hours and hours of effort in making the arrangements for these teenagers to come to Ottawa? How do we account for the patience and energy required to host these students and the simple spending of time with them?

The second story is a more recent one, Mr. Speaker. A member told me that his referendum committee from this fall did not break even. It needed more contributions to be able to pay off its debts. Regardless of what position any of the elected members of Parliament took in the referendum, we all recognized the right of Canadians to participate in it and the extraordinary exercise in democracy that the referendum was. We all gladly contributed our days and nights and every last bit of energy and wit we had to that exercise. Can we account in dollars and cents for that energy and wit?

Let us return to the question of the debt of the committee. How would that MP help that referendum committee in his riding? Well, he will organize and attend functions to raise the money necessary to pay off the debts.

My third story has to do with a member who is significantly interested in the legislative role of the MP. I know that over the course of three months on a major bill he met in committee three times per week, returning to his riding on each weekend to meet with his constituents. This MP's expenses were quite different from the previous two MPs. They were lower because of all his time spent in committee, interacting with policy experts and public servants in developing the best possible laws for this country.

The point of these stories is that each of us fulfils our function in different ways. That is one of the freedoms and the pleasures of being a member of Parliament. The way in which we fulfil our functions has different costs attached to them. It is not for me to say that my colleague who held so dearly the role of educating his young constituents about Parliament should not have done this because his expenditures might have been higher than those of another MP.

Could we say that the MP who spends more time in committee is a better MP because his costs are less than others? What is it we are measuring here?

Mr. Speaker, I would submit that a dollar accounting comparison between two MPs would not in the slightest reveal the value for dollar which the Auditor General says is the true measure of an accounting system.

The Auditor General stated in his 1991 audit of the House of Commons that he did not go beyond the documentation to consider the merits of individual transactions. I do not believe that anyone could. I do not believe that anyone could place a value on how each of us interprets and carries out our representative role.

In the 1992 report of the Auditor General he enunciated three over-all criteria for information for Parliament. These are relevancy, reliability and understandability.

To be relevant, and I quote: "The information should be meaningful, complete and timely."

To be reliable: "The claims made should be consistent from one information source or another, and over time."

To be understandable: "Anyone who is not an expert should be able to comprehend the information."

Because MPs carry out their functions in different ways, accounting for one MP would reveal very different information than for another MP. It would be difficult, if not impossible, to meet the criteria which the Auditor General believes should be met.

Publishing our individual accounts would need to be qualified about how we do our business. Such publication could lead to misplaced, misleading comparisons between members of Parliament. I do not believe that it would be right to value the most highly that member who spent the least amount of money and perhaps gave the most amount of heart to his job.

I believe that contrary to the intent of this bill, the effect could perversely be to impede democracy. For that reason I will not support the bill.

The Acting Speaker (Mr. Paproski): There being no further members rising for debate, the time provided for the consideration of Private Members' Business has now expired.

Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

Shall I call it four o'clock?

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): It being four o'clock p.m., this House stands adjourned until Monday next at 11 o'clock a.m., pursuant to Standing Order 24(1).

The House adjourned at 3.50 p.m.

HOUSE OF COMMONS

Monday, December 7, 1992

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*English*]

NATIONAL SOLIDARITY DAY FOR THE FIRST NATIONS ACT

MEASURE TO ENACT

Mr. Nelson A. Riis (Kamloops) moved that Bill C-268, an act respecting a national solidarity day for the First Nations of Canada, be read the second time and referred to a legislative committee in the Human Resources envelope.

He said: Mr. Speaker, I am happy to introduce Bill C-268 at second reading after some extensive but important consultations with the parties in this House after considerable discussion and consultation with aboriginal organizations and individuals throughout Canada.

I will be presenting petitions later today. I do not know whether there are hundreds of thousands of names, but there are certainly tens of thousands of names of aboriginal peoples from across the country who have signed a petition endorsing the general thrust of Bill C-268, an act respecting a national solidarity day for the First Nations of Canada.

I want to say right off the top that one of the positive aspects of this round of consultation was the suggestion for a change in the description of the bill. The explanatory note in the bill says that:

> This bill would ensure that, in each and every year, the 21st day of June is known as the "Aboriginal Solidarity Day".

There was a suggestion that would be a more appropriate way to title the bill as well because referring specifically to First Nations is not as inclusive as the term aboriginal suggests. If the bill proceeds to a legislative committee, this could easily be clarified through an appropriate amendment, making this bill more inclusive of all aboriginal people of Canada.

• (1110)

Today our country and aboriginal peoples are at a very crucial and critical point in the evolution of our history together. In terms of the movement now toward self-government, self-determination and self-reliance, aboriginal peoples have never been better poised for advancing these three causes and for advancing aboriginal cultures generally than they are today.

In the referendum process, one of the positive aspects enjoyed by many of us was working together with aboriginal organizations toward constitutional change which, in our judgment, would have enhanced the situation within Canada. It certainly would have enhanced the situation regarding aboriginal peoples. The leadership role played by Ovide Mercredi and other aboriginal leaders was nothing short of outstanding and extraordinary.

Personally, I had the opportunity of sharing almost all of the meetings, seminars, discussion groups and public forums with local aboriginal leaders in the Kamloops constituency.

I refer specifically to Chief Nathan Matthew who is not only chief of the Cheu Chua Band, the North Thompson Indian Band, but also the recently elected chief of the Shuswap Nation Tribal Council and also Chief Manny Jules from the Kamloops Indian Band. For many years now he has provided excellent and outstanding leadership along with his colleague, Nathan Matthew, toward advancing the cause of aboriginal peoples in British Columbia and throughout Canada generally.

I could also refer to a number of individuals representing different aboriginal communities, both reserve and off-reserve communities, who played outstanding leadership roles in the discussions on the referendum. They explained to the public what was meant by self-government, why it was important that aboriginal peoples become more self-determining and self-reliant and how this could be achieved in co-operation with the non-native communities. Their comments did a great deal in

enhancing the understanding between native and non-native people.

This bill reflects the renewed and enhanced recognition, understanding and appreciation by non-native people of native people and native cultures generally.

The recent spate of movies has assisted this process. I do not think there is a single classroom that I visit in carrying out my responsibilities as a member of Parliament where young people do not raise questions about aboriginal peoples and cultures.

Young people ask questions regarding aboriginal aspirations within Canada. They ask questions in terms of an enhanced appreciation of aboriginal history within the Canadian context. It really moves me.

In a very short period of time we have made quantum gains in not only the advancement of aboriginal people but also the understanding, appreciation and recognition of that advancement by the non-native communities.

The day in the bill to be identified as the national solidarity day is June 21. First Nations people have identified this date as a day of celebration in terms of their own communities, accomplishments and aspirations.

I felt for our country as a whole it would be appropriate to set aside June 21. By definition, it is the day heralding the beginning of one of our seasons. It is the beginning of summer. It is the longest day of the year. It is the time for renewal and regeneration.

It is the perfect time out of the 365 days for all of us to say together, shoulder to shoulder, arm in arm that we move forward in solidarity in the best interest of the aboriginal and non-aboriginal communities of Canada.

Today I simply ask my colleagues to pass this bill on a voice vote to enable it to go quickly to a legislative committee meeting.

There may be other appropriate changes, but because it is a fairly straightforward bill the one suggested change would be to change First Nations day to the aboriginal solidarity day. That would make it more inclusive.

From the homework which has been done around this bill, it seems to have the virtual unanimous support of all aboriginal organizations and of thousands and thousands of individuals from aboriginal communities, including reserves, Métis communities and urban communities.

People have asked: Does this bill mean that there will be a national holiday on this day? The answer is no, this would not be a staff holiday. It would simply be a day set aside to appreciate the occasion. It is not that we would not want to do this throughout the year every day. It means there would be one specific day of celebration, a day of coming together to celebrate how much we have achieved. It would be to acknowledge the continuous development of our aboriginal communities from coast to coast to coast.

I ask my colleagues to see fit before the hour is out to pass this on a voice vote and allow the bill to go to the next stage of development.

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, thank you for the opportunity to speak to Bill C-268 which proposes to designate June 21 as a national day for the recognition of aboriginal people in Canada.

Certainly, most Canadians are well aware that the contributions of aboriginal people to this country cannot in any way be underestimated.

I spent much of my life studying and teaching Canadian history. Quite frankly, one of the things we have not done well in teaching Canadian history is to recognize adequately the contribution of aboriginal people, or those we would probably call First Nations today, during the settlement period.

They played a vital role in assisting the survival of Europeans and in the fur trade. They were vital partners in the process and I particularly note the role women played in that process. The aboriginal people played a role in establishing the province of Manitoba in 1870. They played a role in the wars in which Canada has participated.

Certainly they play the roles as teachers, politicians, authors, athletes, business people, homemakers, et cetera. It has indeed been a very significant contribution and one which regretfully has gone largely unrecognized. Their heritage is a very important part of Canada's heritage and is one which should be honoured and valued.

The hon. member's bill is very worthy of our consideration and debate. This is particularly true as we approach 1993.

The United Nations has declared 1993 as the International Year of the World's Indigenous People. I think it is appropriate that the United Nations recognizes the contribution of indigenous people around the world in an appropriate fashion. In fact, the Government of Canada has been moving in that direction, in its own way, during the course of the last months. Agriculture Canada sponsored the first ever federal Aboriginal Awareness Week from May 20 to May 22. Just recently the department challenged other departments to participate and many have.

• (1120)

The Department of Indian Affairs and Northern Development held a Native Awareness Day focusing on employment issues. Other federal departments are preparing to participate in the International Year for Indigenous People which begins on December 10, two days hence.

In approaching this issue, I believe there are some important matters which should be considered. First, it would be very important to hear from the aboriginal leadership on this issue because it is important that they be consulted and be a part in the process. One of the things that troubles me about aboriginal-government relationships during the course of the last few decades is that very often it is a case of one side doing something for the other side. There is a degree of implied paternalism and, in fact, real paternalism in that.

That process can no longer be accepted. What is important now is that the principle of partnership be very much agreed upon. Prior to the passage of such a motion, it would be important that consultation occur, and if there is agreement that this day should be recognized in this appropriate manner, then the wording of the bill would have to be influenced by that as well as the choice of the date.

I would also hope that such a day, provided it was agreed upon, would recognize the culture and the contribution of all aboriginal groups in Canada, non-status as well as status Indians, Inuit and Métis. This type of clarification would be helpful in securing the objective of the bill.

One of the difficulties I have with Bill C-268, as worded, is with the use of the word solidarity. This may be due to my own difficulty in understanding the meaning of that word. The word as used in our recent history has had political connotations and sometimes confrontational connotations. One of the things that should be consulted and considered during the consultation process is the use of that word. My personal opinion is that perhaps another word might be more appropriate.

The aboriginal people of Canada had a self-sustaining, self-supporting, self-government in place prior to the coming of the Europeans. It was a society which was not free, but relatively free of conflict. It was a society in which there was a very significant role for women as well as men. It was a society in which people were proud of their achievements.

There is a great deal which we in Canada today can learn from the role of aboriginals in our history as well as the result of their participation in today's society. It is important that we treat this proposal with respect just as it is very very important that we enhance our understanding of the aspirations of the aboriginal community as it exists today.

During the course of the weekend, when I was back in my constituency of Brandon, I had a fairly long discussion with one of the chiefs from a nearby community. While we did not agree on each and every point during the course of our discussion, I was reminded of the role of the First Nations in Canada. I would certainly suggest to the House that we should give very careful consideration to the principle of the motion which is before us.

Prior to reaching a resolution on this matter, I would suggest that we would want to consult very carefully with the aboriginal community itself to determine what its views are on this very important matter.

Mr. Jack Iyerak Anawak (Nunatsiaq):

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

[*English*]

Mr. Speaker, it is a pleasure to speak on Bill C-268. I must say that it is a nice gesture. At this point I think the only way we can look at it is as a nice gesture.

When the hon. member who spoke last said that the contributions of the aboriginal people cannot be underestimated, it is very true. I do not know why we say contributions to the people of Canada because it should not be regarded as that. It should be regarded as the things that aboriginal people have done on behalf of Canada.

Just last month the Inuit of the Eastern Arctic agreed to give to the Government of Canada 82 per cent of Nunavut, or 660,000 square miles, so the Government of Canada can have certainty over the land that it thinks it owns.

When we are talking about recognizing the contributions of the aboriginal people, we have to make some concrete decisions as to what we should recognize, acknowledge exactly what the aboriginal people have done. The government and other organizations should instantly recognize, by making available some things to the aboriginal people, rather than just through gestures like the recognition of the day. I can give some examples.

The Government of Canada just cut the CMHC housing on reserves to the point where aboriginal housing is in dire straits. It already was in dire straits and now it is in even worse condition. The government should immediately go back to pre-1991 funding from CMHC for aboriginal housing.

The people of Grise Fiord and Resolute Bay who were moved to those communities from northern Quebec have been asking for recognition, an apology, as well as $10 million to help them. The government moved these people to help maintain sovereignty over the Canadian Arctic. It should immediately move to do those things for the people of Grise Fiord and Resolute Bay.

The government should immediately move to counter the kind of ads which the International Fund for Animal Welfare, the anti-fur movement and the animal rights groups are putting out. The government should immediately counter those attacks.

One of the more bitter legacies of the last 300 to 500 years is the lack of spirituality issue and morale of the aboriginal people in Canada. If people had looked at the newspapers in the last few days they would have seen that in a particular community, Big Cove, New Brunswick, 75 native people, aboriginal people, have attempted suicide in the last year. People must wonder why these young people, most of whom are young men, are killing themselves. It is the despair on the reserves and the despair in the communities that are causing this. There should be a move by the government to do something about those matters. It is not a case of more money. It is a case of recognizing that these people have something to offer and maybe what they have to offer can help them get out of the deep despair a lot of communities and a lot of reserves are in.

• (1130)

These are only words. The government has not done the kind of work it should be doing. It should be countering all the things plaguing us today. The government can also do an awful lot for the aboriginal people of Canada by doing things like appointing qualified people. We have a lot of problems with the justice system that has been introduced or that we have had to live with for hundreds of years.

The government should move to appoint people like Judge Igloliorte from Labrador, Justice Sinclair from Manitoba or even the hon. member for Wetaskiwin to the Supreme Court. It should show its commitment to bettering the lives of aboriginal people by doing these things. It should do these things to ensure that the aboriginal people feel very much a part of Canada. It should do the things aboriginal people have been telling them to do, such as doing more for the environment and more about the land claims issues.

Still today the Government of Canada has an extinguishment policy where it asks all aboriginal people who will be negotiating comprehensive claims to extinguish their title to the land before they even sit down to negotiate.

It should do something about recognizing the languages and cultures of aboriginal people. There are 53 different aboriginal languages in Canada, yet not one of them is recognized nationally. Territorially we have seven aboriginal languages recognized in the Northwest Territories, but not one of them is recognized nationally.

It is a nice gesture but the government and other groups should make every day a day to honour the aboriginal people of Canada, the people who were here to welcome Christopher Columbus when he took a wrong turn trying to get to India. The government could show its commitment by telling the people of Canada that every day is a day to honour the aboriginal people of Canada. Every day is a day to recognize the contributions of the aboriginal people of Canada.

I appreciate the opportunity to speak to this motion. I hope, if we are to make this gesture, that it will not be an empty gesture but one that will recognize and do more than has ever been done for the aboriginal people of Canada.

Mr. Ross Reid (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I appreciate the opportunity to say a few words on this matter.

My colleagues have addressed it in a number of ways. I was interested to hear a couple of the comments of my colleague from Nunavut, which I guess will be the new name of the constituency as rightly it should be, about recognizing aboriginal people every day.

One interesting result of the very difficult times we have seen in the last years as we have discussed our Constitution has been a change in attitudes dealing with aboriginal people and aboriginal issues. There has been a change in understanding not only of aboriginal people but thankfully in the attitude of non-aboriginal people in relation to those people and a greater understanding of the historical and cultural contribution of aboriginal people.

I question myself all the time on this point, but I genuinely believe there is a new commitment among Canadian people not only to resolve the problems plaguing aboriginal people for hundreds of years but also to recognize that the tremendous number of problems and challenges aboriginal and northern people face are not problems of their own creation and that solutions are found in the attitudes and actions of all of us in this country.

In coming forward with a solution like this one perhaps we can focus on a number of things, like education. If we can focus the resolve of governments, the resolve of the community and the resolve of interest and support groups on looking at some of the concerns and at what some of the solutions might be, we as a country will be stronger and much better off.

People have said to me in the past that the issues of different provinces are not issues that pertain to them. Some of the historical concerns and some of the history and culture of Quebec, for instance, are of no relationship to Newfoundlanders and Labradorians.

I have always argued and I firmly believe that whatever the history of a particular people or a particular group of people, be it the history of Quebec, the history of Ukrainian people in western Canada or the history of those people who came and developed the Fraser River in British Columbia, it is as much a part of the history and the culture of modern day Newfoundland and Labrador as our history and culture, as diverse as they are, are part of theirs. Inevitably we can find connections.

What has happened to all of us collectively, even though there may have been no relationship, impacts on all of us today and in the future. It is something we should feel proud of and, however vicariously, take some ownership of and feel some possession of. Perhaps there is no other group in this country than the first people of this country, those people who came here perhaps 35,000 and 40,000 years ago in some cases. They were the people who were here when the European settlers came. They were the people who welcomed the European settlers as early as 1497 in the case of eastern Canada, and I suspect probably 500 years before that when the Norse came to L'Anse aux Meadows on the northern island of Newfoundland. If we can begin to understand they are part of our history then we are taking the first step to ensuring that we are sensitive in everything we do to that particular history, to that initial ownership and to that initial possession.

• (1140)

Aboriginal people lived, farmed, hunted, fished and occupied this land. They had governments that allowed well developed, highly developed cultures and societies not only to function as individual entities but to relate to each other and to develop structures that allowed for a reasonable and sensible ongoing day-to-day and long term living together.

We consider that the base of self-government. It is not something government gives or even the Constitution gives. It is something we should all recognize. We all have to recognize that aboriginal people particularly are facing challenges more and greater than the rest of us in many cases. The whys of that is something I suppose we could debate for a long period of time.

I can say without much fear of contradiction that a lot of it has resulted from a total lack of understanding of aboriginal people, their communities, their societies, their traditions, their histories, their cultures, the way aboriginal people relate to each other, and frankly today the way aboriginal people want to relate to the rest of the country and would like the rest of the country to relate to them.

If we can get some better understanding of that in terms of knowledge, in terms of education and in the end in terms of some practical application of how it is, we can come together to help resolve these problems. But the coming together has to be a recognition that we must, as we do in so many other cases, provide the tools, provide the opportunities and provide the resources for aboriginal people to continue to develop the societies and the cultures that played such a huge role in the development of this country in a very positive and very substantial way.

We must help aboriginal communities maintain the sense of tradition as so many of the rest of us do and insist upon. Unfortunately from time to time we are prepared to deny it to others. We should be able to apply that and help it be applied to 1992 and the year 2000 and beyond. We should be able to say to aboriginal people that how they govern themselves is critical to their ability to grow, to flourish and to carry on. The rest of us should have the ability and the willingness and the understanding to be able to support that process.

Frankly June 21 is as good a day as could we come up with. We have seen it reflected in the Dene and the celebrations they have had of recognition. The aboriginal communities in Toronto have done the same. The AFN in its old form in the past has used the same date. It is symbolic in many ways. It is symbolic in a lot of cultures but no more important than in aboriginal cultures.

I hope we can use it as well to recognize there is not one group of aboriginal people. They are hugely diverse peoples and nations, very diverse cultures, very diverse ethnic backgrounds and very diverse histories. Understanding that difference is essential in understanding the aboriginal people.

I congratulate my colleague across the way for trying to bring some of this together. As my colleague from Brandon—Souris has raised, there are perhaps some concerns about the way the bill is written. There are some concerns that it include all people, but I think the message is important. We should say to Canadians that it is in all our interests and it is to all our benefit to understand and to express our support for aboriginal people in coming to grips with their concerns. It has to be symbolic but it has to be practical. It cannot simply be a pat on the head. For too long, unfortunately, it has been just that.

Mr. Ron Fisher (Saskatoon—Dundurn): Mr. Speaker, I am more than pleased to stand this morning to speak to Bill C-268, an act cited as a National Day of Solidarity for the First Nations of Canada Act.

I think it is most appropriate that June 21 be the day set aside for this day of solidarity. The first day of summer strikes me as being a time, particularly in Canada, that takes on a significance that only those who live in the northern climes can appreciate. That being the case, I would suggest that it also reflects on the appreciation which we as Canadians have for our First Nations.

There is no way in which we as a nation can make up for past injustices to our First Nations. I am reminded of an incident which occurred just this last summer. I was canvassing door to door but I happened to meet someone on the street. I saw them coming toward me and, as I got closer, I recognized the person as being a young aboriginal person. I stopped and introduced myself, said hello to him and asked how things were going. He said: "Not too well; I have lost my land".

I come from a farm. I suppose all Canadians are well aware that farmers are losing their land at a rather record pace. In my naivety I thought perhaps he was from the agricultural community and had lost his farm. I said: "I am terribly sorry to hear that. Where is your land?", to which he replied: "We are standing on it".

That just goes a short way toward exemplifying the depth to which the aboriginal people have suffered and the understanding as well among themselves of how much they have suffered and how far they have to go. I grant that the setting aside of a day of solidarity with our First Nations is not going to erase the past wrongs, and there are others which I think should probably be mentioned.

I recently discovered something, much to my chagrin, because my ancestry is Scottish. Some of my ancestors came to this country and availed themselves of the ability to acquire land very, very cheaply. It was known as homesteading, a way of settling the west, which certainly the country needed. To my horror, I discovered that our native people were not able, whether they were treaty Indians or whether they were Métis, to become homesteaders, at least without giving up their heritage and without giving up their treaty rights. That is certainly an outrage that cannot be corrected, but an outrage nonetheless and something for which certainly our aboriginal people are suffering yet today.

The fact is these people had inhabited the land for century after century after century. They had developed in the country, on the land, forms of government which suited themselves extremely well, and of course which we know today would, can and must still hold them in very good stead. Of course, I am talking about their inherent right to self-government. It certainly has been demonstrated that they are eminently qualified to be able to do that.

• (1150)

As well, as a western Canadian, I am aware of the devastation that was caused by forcing the aboriginal people on to reserves. I am also aware of the piracy which occurred when after the reserves were set up, those who were in charge, those who were in control, those who were in power of authority proceeded post-haste to illegally take back many, many of the acres and many, many parts of the best farmland in the different provinces from those to whom it had been promised.

Just recently in the province of Saskatchewan, the Canadian and provincial governments have gone a short way toward rectifying some of those injustices, but nonetheless there is much more which has to be done. That is a concrete way of rectifying some of the faults which we have perpetrated in the past.

In conclusion, I congratulate my colleague from Kamloops for having brought forward this motion. I certainly ask that members unanimously support its furtherance through the House.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Since there are no further speakers on this bill, the time provided for the consideration of Private Members' Business has now expired.

Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

[*English*]

Mr. Riis: Mr. Speaker, I appreciate the time and that there are no further speakers on this bill. After listening carefully to all of the interventions, which were very thoughtful from all sides of the House, there seems to me to be unanimity in having this bill referred to a legislative committee.

At this point, I would ask you, Mr. Speaker, to seek unanimous consent to have this bill sent to a legislative committee for further study.

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

An hon. member: No.

The Acting Speaker (Mr. DeBlois): There is not unanimous consent.

[*Translation*]

SITTING SUSPENDED

The Acting Speaker (Mr. DeBlois): The sitting of the House is therefore suspended until noon, when we will proceed to consideration of Government Orders.

At 11.52 a.m. the sitting of the House was suspended.

SITTING RESUMED

The House resumed at 12.01 p.m.

GOVERNMENT ORDERS

[*Translation*]

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 81—GOVERNMENT ECONOMIC POLICY

Ms. Sheila Copps (Hamilton East) moved:

That this House condemn the government's continued adherence to its failed economic policy of trickle-down misery.

The Acting Speaker (Mr. DeBlois): Since today is the last allotted day in the supply period ending December 10, 1992, the House will proceed, as usual, to consideration and passage of a supply bill.

Considering our recent practice, is it agreed to have the bill distributed now?

Some hon. members: Agreed.

Ms. Copps: Mr. Speaker, since many members wish to speak to this motion, we in our caucus have decided to share our speaking time. In other words, we will each take 10 minutes.

[*English*]

Canada has the highest unemployment rate in the western world; higher than Britain, France, Italy, Germany, Japan and the United States.

An hon. member: Shame.

Ms. Copps: Yet once again last week we heard the government say that it has the fundamentals right, that it will stay the course, that it is doing a good job.

In the United States, the unemployment rate is 7.2 per cent and President-elect Clinton has called it a national disgrace. He has called for a massive program to put people back to work. In Canada, the unemployment rate is 11.8 per cent and this government has cut benefits for the jobless.

An hon. member: Shame.

Ms. Copps: Two days after the Minister of Finance tabled an economic statement in which he said one more time that the recession is over, the unemployment rate has once again reached a record high; 1,650,000 in jobless lines. The Minister of Finance calls people who are worried about the unemployed bleeding hearts.

The Minister of Finance says the way to kick-start the economy is to kick people when they are down. The Minister of Finance says the ways to attack unemployment is to attack the unemployed. The Minister of Finance says the way to attack poverty is to attack the poor. There are millions of people in this country who cannot afford to put presents under their Christmas tree this year and who cannot even afford to provide a Christmas dinner for their children. It is not like they cannot afford a Christmas turkey with stuffing and cranberry sauce. They cannot afford a grilled cheese sandwich. They will have to rely upon Christmas baskets from charitable organizations to feed their kids on December 25.

The minister of employment calls them couch potatoes. It is not like they cannot afford Air Jordan basketball shoes and Nintendo Game Boys for their kids. They cannot afford shoes or any games for their kids. The minister of employment accuses them of wanting to spend their winters in Florida.

Millions of people who are still employed are terrified about whether they will be able to hang on to their jobs. They are worried they will be the next out on the street and the minister of employment calls them rip off artists and bums.

In a desperate effort to appeal to a right-wing constituency in a budget last week that I parallel as almost an instant replay of the Republican convention last summer, the government has chosen to destroy hope for all those who are down on their luck. In a desperate effort to give the Prime Minister another couple of months to make up his mind whether he is going to quit or not, this government, with no constructive agenda, has decided to stick it to the weakest members of our society.

While the Prime Minister will be spending his Christmas at 24 Sussex, millions of other Canadians will be at the Shepherds of Good Hope, the Salvation Army soup kitchen or the local food bank. While the Minister of Justice is in Vancouver planning her leadership bid, thousands of her constituents will be figuring out how to tell their children that Santa Claus is not coming this year. While the Secretary of State for External Affairs is planning her leadership bid, thousands of Torontonians will be lining up to collect welfare. While the Minister of Communications is travelling around Ontario in his bid, 600,000 jobless Ontarians will go to bed realizing that the ministers in this government consider them to be the dregs in society.

In a despicable attempt to try to gain support among people who do have jobs, this government is prepared to sacrifice the one in five Canadians who do not have jobs. This government is hoping to get re-elected by proving that it can beat up on the little guy. The government plans to cut hundreds of thousands of people off unemployment insurance so that it can claim that it has reduced the official unemployment rate. It does not care that it is going to throw thousands and thousands of people on to the welfare lines. It will not help the unemployed. It will recategorize them.

This Conservative government is so afraid of losing its spot at the top that it is playing for time by destroying the lives of thousands of people at the bottom of the economic ladder. The truth is the government has no agenda, but it does not have the guts to call an election now and it does not care how many lives will be destroyed in its effort to cling to power over the next few months.

The Prime Minister used to say that every Canadian government had a moral responsibility to call an election after four years in power. This government has been in power more than four years, but that promise, like every other promise of the Prime Minister, has turned to dust.

The truth is that this motion underlines to Canadians the truth that this Conservative government is morally, philosophically and politically bankrupt and bereft of ideas. It is a tired old government that has run out of steam, has nothing new to offer and is flailing around like a cornered rat.

I could read the statistics. Long term unemployment rose from 425,000 to 806,000 Canadians. The number of part-time workers who would like to be working full time, involuntary part-time workers, rose from 409,000 to 662,000 people. The number of people who have given up rose from 101,000 to 141,000. The number of unemployed parents supporting children rose from 305,000 to 444,000. The hours lost by people who would like to be working longer hours, but who have shortened their hours to keep their companies and their fellow workers working, increased by 52 per cent.

[*Translation*]

According to the statistics, in Montreal alone 215,000 people are unemployed. At this very moment, one out of four persons in Montreal is living on unemployment insurance benefits or welfare.

• (1210)

In this region, 615,000 people are living below the poverty line.

[*English*]

These are beyond statistics. Last week in my office I had the opportunity of meeting with an unemployed steel worker and his wife. His name is Andy McQuarrie. He says that I can talk today about his circumstance. I think that his circumstance reflects the circumstances of thousands of other Canadians. He is a 54 year-old man who worked for a company for 21 years. He was a good employee. That company, Canadian Building Systems, went south. The member for Winnipeg South says: "Lay it on".

Andy McQuarrie would like to know what this government is doing for a 54 year-old man with 21 years of service to his company, who not only is suffering from the government's cutbacks on unemployment, but who finds himself at the age of 54 with a 16 year-old daughter at home that he is trying to support. He has a wife and family and an education level that is not great because he left school for the work force at grade nine. At age 54, with a slight hearing problem and a back problem, he is told that he should get retrained and get back and become a productive member of the work force.

Andy McQuarrie wants to work. Andy McQaurrie has been out there every day. He sold his house because he could not afford the mortgage and this month he cannot afford to pay his rent. There are literally thousands of people like Andy McQuarrie who were looking to this government last week for some hope, who were looking for a sign, a signal that maybe Bill Clinton's change in economic thinking in the United States will trickle over to Canada. What he saw instead was a government that was prepared to penalize the down to try and ensure that they are out.

Our message to this government is that it is about time that it is out. We hope that this non-confidence motion will pass so that some Canadians will finally understand that every member in this Parliament does not support the heartless move of this government as enunciated by the Minister of Finance last week.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I listened carefully to what my colleague said, which affects everyone, even the member for Winnipeg, despite her silly comments earlier.

This morning, I too contacted my riding office before coming here and almost all cases this morning were constituents who came to say: "Mr. Boudria, you are in

Ottawa. Can't you do something to find me a job, because I haven't worked for months?"

I admit that we cannot do everything, we cannot do the impossible, but at least we could have done something. Could we not at least have had an infrastructure program that would help people in construction, for example, not to shovel air but to do work that already needed to be done, like repairs?

I take Perley Bridge in my riding as an example. It is certainly not a pretty sight. This bridge needs to be replaced. The sewers in our cities like Hamilton, Hawkesbury and Alexandria and our sidewalks are projects that need to be done. I think it is past time that we just have useless make-work projects, if there ever was a time for that. Should we not have invested in that infrastructure which our cities, towns, villages and country need and at the same time restore hope for those people who need it so much, those whom my colleague was just talking about?

Ms. Copps: Absolutely, Mr. Speaker, and that is what Canadians expected last week from the Minister of Finance's mini-budget.

They talked about spending a lot of money on starting infrastructure projects, an idea already supported by the Federation of Canadian Municipalities, Mayor Jean Doré in Montreal, Bob Morrow in Hamilton and a number of other mayors. The Leader of the Opposition said, in the House and elsewhere, that the right time to go ahead with this kind of project was when we were in the middle of a devastating recession, which has now been going on for 30 months. Funding for such projects should be released when times are difficult, when the need is there, not just when the economy is starting to recover.

When the Minister of Finance says the recession is a world-wide phenomenon, he is right. However, two years ago here in the House, the former Minister of Finance admitted that he had decided to create a recession in Canada in order to cool down an overheated economy in Toronto. That is what he said. Right in the middle of a world-wide recession, the former Minister of Finance decided to pursue a policy in this country which merely made a bad situation worse.

The government says this is a world-wide phenomenon and nothing can be done about it, but these are the same people whose policy it was to keep interest rates and the dollar high—a dollar that was very high in relation to the American dollar. What a coincidence. This was just after it decided to sign the free trade agreement. It is clear that pursuing a high dollar and high interest rate policy at the very moment the government signed a free trade agreement with the United States merely brought things to a head, and this is exactly what made a bad situation for worse.

[*English*]

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, it is my pleasure today to rise to deal with the opposition motion. This motion is very timely because of the belief of Canadians, as reported in the media and by forays of different ministers of the government, that in essence where we are today is simply no fault of the government; in essence, what has happened is that the Conservative government's policy has to be the way it is because its hands are tied.

One issue we have to talk about in this place in a debate like this is solutions. We have to talk about ideas that we have as members of Parliament that will help our constituents and Canadians in general to feel that there is some hope and to understand that we in this place are dealing with issues that are of utmost importance in their minds.

What concerns me the most in this whole debate so far and in this last eight years of Tory rule is that they have continued to perpetuate the myth that the federal government's hands are tied. They say we have a deficit and therefore they cannot afford to help Canadians. The attitude is that market forces will lead the recovery and that we will get out of the recession if we leave it in the hands of the business community; that if we allow the U.S. to get back on its feet, it will lead the recovery and that, indeed, will usher in better times for Canadians.

The Canadian government and the Canadian people are in grave trouble. Let us look at the facts. Unemployment is at roughly 1.7 million people, welfare at 2.3 million Canadians. That is a total of roughly four million people. It is not easy to say in this House that there are four million Canadians who are not participating in the economy, not active contributors to the policies we would like to put forward in order to build the hopes and aspirations of Canadians.

• (1220)

I want to talk a little bit about the Conservatives' policies as they relate to those particular Canadians, and indeed about the lack of policy. We all know that Canadian employers and employees pay roughly $20 billion toward the unemployment insurance system. That is a lot of money. That money is mainly used for income maintenance.

Why is it if Canadians are unemployed or on welfare, they are being paid to a certain extent to stay home because they cannot find employment, to stay home because they have no hope of finding a job, to stay home because they are not educated in some of the industries that are going to be the main industries of the future? That is a very obvious question that should be asked, and one that we should very comprehensively deal with in this place.

It is important for us as Canadians and as members of Parliament to put forward suggestions. Why is there not a national apprenticeship program in this country to try to help those without the tools to get employment in certain industries to move on to other industries? Is it a fact that a 54-year old man is not capable of being retrained? The pundits say so. I do not agree with that. There are people in this country, no matter what their age, who have the abilities to be trained in a particular area in which jobs may be created.

Why is it that instead of having people collecting unemployment through an income maintenance system they are not asked to go into some sort of co-op system? In such a system we would ask employers across the country, in Ontario for example, whether they would take an unemployed person who is on UI, and has no hope of getting a job, for a certain amount of weeks and months. We would continue to pay that individual's unemployment insurance as we are anyway and they would have the opportunity to go to work every day through a co-op program and learn some other trade. Why is that not possible? Why can we not give Canadians that kind of policy initiative to give them hope?

The government likes to say that there are a lot of Canadians who just do not have the skills, and that is true. However, why do we not put together an initiative to allow Canadians to go into the colleges and universities that are available to us and enter a program that would give them the skills to go into the work force at some future date?

We have all the infrastructure, the infrastructure of the colleges and the universities and the infrastructure of the existing business community. It is already there. Why do we continue to just pay income maintenance to Canadians to stay home and collect unemployment and welfare? We could put that kind of initiative together and put those four million Canadians to some use for the good of all of Canada and at the same time give them hope that eventually they will be able to get a job that they can call their own.

In other countries they have completely changed gears concerning the unemployed. They have completely changed gears concerning people on welfare. However, here in this country we continue to say that eventually market forces will put those people back to work. They will not because times have changed.

It is incumbent on us, as members of Parliament, to establish policy initiatives that will put these people back to work, that will train them and give them some sort of hope that eventually they will be back in the work force where they rightfully belong.

The Conservatives' economic policy, or the lack of such, is what we are talking about today. The myth they continue to perpetuate that their hands are tied and they cannot do anything because of the deficit we have is completely unacceptable. If we continue to use that kind of philosophy this country will get into bigger trouble than it already is.

Let me give an example as it relates to regional development. In northern Ontario there is a regional development program called FEDNOR. It has a particular mandate to diversify the economy. That is what its mandate is. It has to set the rules and regulations by which the business community can access certain loans and grants.

The other day I put forward a very legitimate concern of a very large constituency in my riding, the agricultural community. We have been working for the last 20 years in Kenora—Rainy River to have a port of entry into Minnesota. Minnesota is a very protectionist state. It does not allow the export of agricultural commodities through northern Ontario into Minnesota.

Lo and behold, we get this beautiful free trade agreement. I have written probably 10 letters to the Minister of Agriculture in the last four years letting him know about the difficulties of the agricultural community. We even gave him some solutions. We entered into a discussion with the state of Minnesota to open this port of entry so the agricultural community can diversify itself.

One of the things that Minnesota so desperately needs, and which we can provide, is slaughter cattle. It is a very normal commodity. What do we do now as northerners in Ontario? We ship our slaughter cattle all the way to Manitoba through North Dakota and back to Minnesota. That costs an extra $800 per trip for transportation.

I have asked the minister on numerous occasions to examine that very simple thing we can do as members of Parliament to give that particular industry and the agricultural community a chance to make a go of it in that area. All I have got so far is political rhetoric.

Those are the kinds of issues that we are dealing with today in the House. These are the reasons why the motion put forward by my colleague is so important. We as backbenchers can stand up and talk about these kinds of issues and the government should not hold its head down in shame but listen to what we have to say. Maybe it could take a look at this initiative, put it forward, and help the community. Then this country will start to work a little more efficiently.

There are some other initiatives that we would like to talk about, and I would like to talk about, in the mining and forestry sector, but this government seems to think that it cannot get involved. If anyone believes on that side of the House that governments cannot take an active role in making our economy work then they are really stuck on an ideological bent that will not get them anywhere in the future in making this country as truly great as it should be.

I hope that during the debate—

The Acting Speaker (Mr. DeBlois): Order, please. The time of the hon. member has now expired.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I want to commend the hon. member for all of his good suggestions. They make some sense.

However, I wonder if he knows that the current federal government, which he and his colleague have spent such a lot of time denigrating, has set aside $3.8 billion for retraining to ensure that people who are out of work through no fault of their own have an opportunity to come back into the work force and have a rewarding and productive experience in the future.

I also wonder if he is aware that we have another quarter of a billion dollars set aside for sectoral training, which will be undertaken through advisory committees in conjunction with the labour movement. The hon. member says that we have not used the resources to try to help people who are in this category and who need help. How can he say that in light of the truth and the facts that I have just laid before him?

Mr. Nault: Mr. Speaker, the numbers speak for themselves. I find it almost unbelievable that the member would stand up and say: "We have $3.8 billion in training and we have so many dollars in sectoral training". The reality is we have four million Canadians who are not working or are on welfare.

Let us put that in clearer terms.

• (1230)

That is like saying that B.C. and Alberta, the two furthest provinces to the west, are completely unemployed, not working, or on welfare.

When we take that kind of situation and put it in its proper context tinkering around with the system is not what we are talking about. We saw in the economic statement put forward last week a continuation of the tinkering with the system that is making the situation worse. We are asking for initiatives by the government that will revamp the unemployment insurance system, that will make it a training regime rather than an income maintenance system. That is what we are talking about. For example, in my riding in the last four years there have been some major layoffs in the mining community.

We are not suggesting for a moment that in the mining community mines will not close down. For example, in Ignace 250 people were laid off permanently in the mining industry in that community because the mine was shut down.

What is the government's policy to deal with major closures in single industry towns like Ignace? We also know in the province of Ontario that there are going to be other mines, with large work forces, that will shut down in the near future. What is the government going to do when that inevitable situation occurs? It cannot continually say that is too bad.

There must be a policy, an initiative, so that we are ready to deal with those individuals who happen to be 25, 35, 45, and be prepared to do something and not say: "Go on UI until it runs out", or in this case, because of the simple little change the government made, tell them to use up all their severance, and in some cases the only savings they have, which takes a good year, and then go on UI for another year, and then maybe convince them to go into some sort of training program—if there is anything available.

That is the issue we are dealing with. The $3.8 billion figure is a nice number. It sounds really good, but does it meet the needs of Canadians when there are four million Canadians sitting at home wondering if they will ever work again?

It would if this government could say to us that eventually over time, with its policies, it believes that unemployment will be 6 per cent and showed us how many people will be working and trained, if it said: "These are the demographics and how it is all structured". However, that is not what we are hearing. We are hearing that there is restructuring, period, and because of that restructuring there are going to be some very difficult times which will have to be accepted.

I do not think Canadians are prepared to accept that, and the government will see in the next election that they are not. They want initiatives by their members of Parliament, by governments at all levels, that will make the economy grow but at the same time give them some hope.

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, today's opposition motion condemns our government for adhering to its economic policies and clearly suggests that our policies are the source of Canada's slow growth and industrial difficulties.

There are at least two clear and basic problems with that simplistic and self-serving attack.

First, it implies that Canada is somehow isolated from today's global economy, that we are this little island in the northern hemisphere that can crawl into its shell and not pay attention to what is going on around the world.

Second, it tries to suggest that the government is doing little or nothing to help the economy and the people who are facing hardship.

Let me point out that by using the phrase "trickle down" the hon. member's motion is obviously trying to equate our policies with those of the administrations of the United States. What the hon. member ignores, and I believe clearly hopes that Canadians will not realize, is that in Canada the federal government already plays a more involved role in the economy than does the federal government of the United States.

My hon. friend from Hamilton East used an excess of verbiage this morning. She was quoting the Minister of Finance to the people of Canada. She attributed to him a number of statements that obviously the Minister of Finance has never, ever uttered. I want the hon. member to produce those quotes to the House, all those things she attributed to the Minister of Finance today. Anyone who knows the Minister of Finance knows that he would not make the statements the hon. member attributed to him this morning.

Let me return to the main issue here. We all realize that Canada is only slowly recovering from what has been a very painful and prolonged recession. The economy is still weak and unemployment is much too high. People in businesses everywhere are feeling the painful consequences. It is also true that only by recognizing the underlying causes behind our difficulties, the interplay of global pressures and Canada's competitive ability, can any government implement effective policies to win firm and lasting economic success and security. That is the basis of the policies we have put in place.

These are policies that look ahead to Canada's medium term needs rather than superficial quick fixes. This is where we differ so dramatically from the opposition. What little economic plan it offers seems to emphasize nothing but supposed quick fixes. Of course that should be no surprise. It was its emphasis on short-term crutches in past periods of economic difficulty that helped diminish our competitive muscle and has left Canada so vulnerable to economic weaknesses today. That is the opposition's legacy and its formula again for the future.

Canada cannot afford yet another dose of Liberal steroids and snake oil. Instead, to create jobs and boost our standard of living, we must make sure the actions we take today do not leave us weaker tomorrow. That is one of the guiding principles behind our policies and actions.

Let me again remind the opposition why the Canadian economy is not as strong as all of us would like. It reflects many factors. Some of them are beyond our control such as the ongoing weakness of our trading partners. Canada is one of the most trade dependent nations in the world. When other major economies slow down sharply our economy suffers. Other factors beyond our control include the negative effects of foreign subsidies on grain prices which has hurt our agricultural sector. As well, weak world commodity prices have had a harsh impact on companies and workers in sectors like mining and in forestry. We also face problems like the disappearance of east coast fish stocks.

Canadians are also being affected by the difficult process of industrial restructuring that companies must apply if they want to survive, succeed and provide jobs in this fast changing global market. That is never mentioned by the opposition. Many of Canada's current economic problems are the inevitable consequence of the excesses of the 1980s, the reduction in our ability to compete caused by poor productivity and business cost performance, high levels of corporate and personal indebtedness and the poor state of government finances that was inherited in 1984.

These are problems that took years to build up and take time to be corrected. It is also a fact that our government has made real progress in reversing these trends, progress we must maintain for Canada's economic future. The questions we have to ask concern what is being done now. Unfortunately the opposition is much better at bugling complaints about what we are doing than offering reasonable alternatives.

The first thing to do is to recognize that there are limits to what governments can do to get the economy going again in the short term. I understand the opposition's position: oppose, oppose, oppose. That is why it is called the opposition. We must recognize there are limits to what we can do.

• (1240)

We as governments do not have resources of our own that we can simply go out and spend and create jobs and incomes. The resources of Canada's governments come from one place only, and that is Canadian citizens. Government spending is paid either by the citizens of today or by the citizens of tomorrow because government borrowing now leads to heavy taxes and reduced services in the future.

We also have to realize that taking more money from some citizens to give to others will not do much to stimulate the economy and restore confidence. Most Canadians feel our national tax burden is already too high. Taking more money from the citizens of tomorrow through increased borrowing is just a bad solution.

Canadian governments are so indebted now that increased borrowing may just cause Canadians to expect higher taxes in the future, leading consumers to hold back on spending even more. At the same time increased borrowing could cause lenders, especially those in other countries, to worry about the government's financial ability to repay its borrowing. It is a vicious circle. This could result in higher interest rates for all Canadians, creating further economic problems.

Despite the limits on government resources there are two important areas where governments can and I believe must act. The first is action directly to help Canadians deal with lost jobs and falling incomes. We are doing this.

People often take for granted the resources that the federal government provides to help cushion economic weakness. For example, more than one-third of all federal government spending goes to provide direct income support to people. This includes unemployment insurance, old age security and assistance to children. As well the federal government makes substantial payments to provinces to help fund other social assistance and medicare. There is also spending on regional development.

Most important, this spending continues even when a recession cuts government revenues. In other words, when the economy is weak governments actually increase the share of their revenues that go to assist Canadians, especially those most vulnerable to hard times. This contributes to restoring economic growth.

We must also recognize that these automatic stabilizers can be a mixed blessing. When the economy is weak, government automatically takes in less taxes. Revenue is down and this reduces the pressure on reduced incomes, but it also means an increase in the deficit. This is happening now. Unless we take action the deficit will continue to climb adding new pressure to interest rates.

The second thing government must do is respond to the underlying economic problems Canada is facing, particularly our poor national productivity record. Increased productivity is a key to improving Canada's competitiveness at home and I guess very important in our vital trade markets. Raising Canada's productivity growth requires that all stakeholders in the economy work together so that we can invest more in capital, technology, education and workers' skills.

The key role that governments can play in helping is to establish first a climate that supports and rewards productive investment. The opposition does not talk about that. The second is to help Canadian workers and businesses adjust to the economic restructuring that is now taking place. The opposition does not recognize that restructuring is going on. It says we are using it as an excuse. The third is to create the secure trading opportunities that allow Canada to increase its sales to world markets. What do opposition parties want to do? They want to tear up the trade agreement.

The federal government has been doing all these things to help our economy. We have improved the climate for investment by getting inflation and interest rates down and through tax reform. We have reoriented our labour market support toward provision of training and help in adjusting. We have pursued trade agreements that secure Canada's access to its export markets. We are committed to adding to those positive actions.

That is why last week's *Fiscal and Economic Statement* announced wide-ranging initiatives to bolster further public and private investment in economic growth while also reducing the cost of government. These actions are built on the policies which are already increasing Canada's productivity and competitiveness.

Let me remind hon. members once again of the highlights of this action plan for real, sustained growth and secure lasting job creation.

Over the last decade the small business sector has created 80 per cent of new full-time jobs. To help this vital sector the government is launching a small business employment and investment package. Under this package most small businesses will be able to add new workers without paying initial unemployment insurance premiums in 1993. This will reduce the cost of hiring additional workers by up to $1,600 each.

Other actions include a 10 per cent small business investment tax credit for machinery and equipment purchases. Rules on investment in small businesses by RRSPs and other funds will be simplified and investment options expanded. Programs that provide financial assistance are being expanded or extended. This is for small business. These are the things small businesses said would help them during these economic times. The government has listened to them and they were announced by the Minister of Finance.

Research and development as we all know is a key to developing the new products and processes that deliver competitive successes and growth in the global marketplace. There are still areas where tax rules could be improved to help business adapt and grow in an area of knowledge based work and technical change. We set aside $400 million over five years to remove tax base impediments to innovation and growth. In an increasing knowledge based economy Canada's economic prospects depend more and more on the skills of its people.

The government is helping to meet this challenge. Our support for worker training and adjustment, as my colleague from Winnipeg pointed out earlier, will be increased to $3.8 billion next year. Part of this, funds for developmental training use under the UI program, will grow to $2.2 billion. That is up from $1.9 billion last year and just $550 million in 1990. That is a big increase. That shows the priority the government is placing on training. The increase will be used to meet the special needs of long service workers who lose their jobs, the type of person that my hon. friend from Hamilton East was mentioning this morning.

The government will also help workers and employers make learning and skills upgrading a constant priority. The government will provide $250 million over five years to help lever a national training effort driven by labour and business. It will develop tax incentives to help defray

the costs of training workers to meet these occupational standards.

A nation's infrastructure, such national assets as transportation and communications, can provide an important competitive advantage in the new global economy. Based on savings and other activities the government is committing an additional $500 million to pursue specific strategic opportunities. In the next five years these initiatives will result in infrastructure of some $2 billion and directly generate 4,000 to 5,000 jobs a year.

We are taking direct action to help the people of Canada. A tax cut will take effect January 1, 1993. This will put $1.2 billion back into the economy. It is an economic stimulus, modest but important.

We also announced the 1993 unemployment insurance premium rates for both employers and employees would be frozen at 1992 levels. This leads me to the federal deficit and the challenge it presents us.

It is because of excessive deficit spending during the 1970s and 1980s that our government faces tough limits on what we can do to boost the economy today. We have to break this vicious cycle of borrow and spend if we are going to create a truly strong and prosperous economy.

To achieve this goal we are taking further strong action to reduce federal operating costs. All our new initiatives will be paid for through these spending cuts and budget reallocation. Some $8 billion will be saved over the next two years.

For two years salaries will be frozen for public servants, the prime minister, cabinet ministers, members of Parliament, senators and the federal judiciary. Crown corporations that depend on federal funding will have operating budgets cut to achieve the same results.

• (1250)

Operating budgets of government departments will be cut by 3 per cent in 1993–94. Combined with the wage freeze, federal operating budgets will be 5 per cent lower than the planned levels over the next two fiscal years.

Average unemployment insurance benefits will be frozen. Subsidies to most organizations and interest groups will be cut by 10 per cent in each of the next two years. These cuts we recognize mean further sacrifices for many Canadians, but they are needed so that a stronger recovery and sustained growth can be shared by all Canadians.

In conclusion, our government is taking real positive action to boost Canada's economy and create the conditions for new jobs. The results of these actions are not trickling down; they are showing clear results. At 1.4 per cent inflation, the rate is the lowest in the G–7. Productivity is up by 2.6 per cent so far this year. This increases our competitiveness. Trade performance is showing results. Merchandise trade surplus, one of the keys to reducing our current account deficit, is up by almost $2 billion from last year.

Real output increased 1.4 per cent in the third quarter. Domestic demand, including consumer spending, housing, investment in machinery and equipment, increased by more than 5 per cent. Employment has increased in five of the last six months. There have been 104,000 full–time jobs. That is the rise since August. Yes, we must interpret these signs cautiously. The world economy is going through a very difficult period.

We are not immune from that. We understand that. We are doing what we can for the Canadian people, this country and the economy, not only today, because we have put in place policies to help today and in the future. We cannot forget the future. I believe that for far too long governments have ignored down the road and looked at the next four years at what might get it re–elected in the next election rather than looking at the long term and what is needed for this country.

Mr. Mills: Nine years later.

Mr. McDermid: Well, in nine years we have accomplished a tremendous amount. In tax reform, in new trade agreements, we have accomplished a tremendous amount in this country. Today, there are —I will get the exact figure for the hon. member over there who is chuckling away—1,247,000 more people working than in 1984.

As the fundamental strengths of Canada's economy continue to grow, we will be well positioned to be a growth leader among the major nations as the world's economy improves. Everyone in the world is saying that today. This will prove that our government has truly and fully honoured its obligations to Canadians to help them win a secure and prosperous future. That is what we are working toward and will continue to work toward.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, very briefly because the minister challenged me to speak about some statements that were made. I would like to quote from *The Ottawa Citizen* of December 4: "Don Mazankowski was pulling no punches". "There is a sense up here that all we do is bring out cheque writing machines and send people a cheque. Those days are over. Bleeding hearts want the government to spend more on social programs, Mazankowski said, but eliminating benefits for voluntary quitters is just being fair to workers and businesses who support the system. Look at the people who are working. Look at the people and the sacrifices they are making".

[*Translation*]

The worst example is what his colleague, the Minister of Employment and Immigration said, and I quote: "They claim someone who leaves his job for no good reason to go to Florida in the winter should get unemployment insurance benefits. It's about time the government had the balls to be realistic, considering the times we live in, etc. etc."

[*English*]

These statements, including the statement made by the former minister that the recession was made in Canada, are all part of the public record. The minister should stop accusing other people of misstating the facts. The facts are here in black and white in direct quotes in several newspapers as a result of statements made by his government in the last few days.

Mr. McDermid: Mr. Speaker, the hon. member quoted the Minister of Finance, listing a number of things that he said. She just mentioned one here. She mentioned a number in her speech. I believe that a lot of them were probably manufactured by her as she went along. Using her usually excessive rhetoric, she probably attributed a number of things to the Minister of Finance that he did not say. I will be interested to see each one of the quotes she attributed to the Minister of Finance and the justification for that. She has only stood up and justified one of them.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I listened to the member carefully. I believe he used these words: "We must break the vicious deficit cycle". For nine years the government has made projections on deficit and debt which have not really come to pass. This government came into power in 1984. When the Tories were in opposition, they had a real attitude toward deficit and debt. At that time it differentiated their party from ours because we were a little more sympathetic toward people who were unemployed and in pain.

The government came in with a policy of tax reform yet it has had 32 tax increases, not to mention the poorly designed GST which, in fact, the Minister of Finance admitted last week required some changes. I think that is fine.

The trade performance on the merchandise trade surplus in the last six years has been in decline. The debt has doubled in the nine years of this government. I must confess that the inflation numbers are very good and interest rates are low. However, there is a feeling in the country that there is no confidence in our economy, no hope. I would suggest to the member that a lot of the reason why that exists is because there is very little trust in this government. There is no trust in its projections. That is a fact.

Does the member not think that part of the reason why we cannot seem to get the spirit of this country going again is because none of the actions that have been taken in the last little while are doing anything to rebuild that trust. He is basically making the same speech in year nine that was given in year one. Yet in the last eight years this government has never acted on its own advice or its own prescription.

Mr. McDermid: Mr. Speaker, the answer is no. I can tell the hon. member that I am not giving the same speech I gave nine years ago. I can say that our deficit is half of what it was when we came into power in 1984. In 1984 the deficit was about 8.5 per cent of our Gross Domestic Product. Today it is about 4.5 per cent. It has been cut in half.

I can say that we have an operating surplus today, which I could not say in 1984. The government of the day was borrowing $16 billion just for the operations of the government. Today we have an operating surplus of some $7 billion. So, no, it is not the same speech.

I can say that from 1964 or 1965 through to 1984 government expenditures increased at a rate of a little over 14 per cent a year. This government has kept the increase in expenditures year over year to less than 4 per cent, less than the rate of inflation. So, no, I am not delivering the same speech today.

We delivered on corporate, personal and sales tax reform, something that was recommended for over 40 years by a number of royal commissions, including one that the Liberals set up just recently and reported in 1984–85, which recommended that we go to a consumption tax.

Is the Minister of Finance making some changes? Certainly he is. He wants the tax system to operate in a better way. Is the hon. member telling me that the Liberals never changed tax systems in this country, that they never amended them? They certainly did amend them. For him to make those statements is crazy.

Finally, there is the other thing about projections being wrong. If the hon. member were honest with the House, I think he would admit that every single organization that makes projections, banks, think-tank organizations both here and abroad, governments at all levels no matter who their political masters are, made projections for 1992 that were off base, every single one of them. If the hon. member looks at the projections that the federal government made, they were far more conservative than those projections that were made in the private sector and some of the think-tanks both here and overseas. So do not lay that one on the Minister of Finance.

• (1300)

Mr. Mills: Why no confidence?

Mr. McDermid: The hon. member is totally unfair when he makes that criticism of the Minister of Finance.

Why no confidence? I think there are a number of reasons. When people read that General Motors is going to lay off 20,000 people around the world and that IBM is laying off thousands of people, they worry about their own jobs in their company, no matter what that company may be. I understand that concern very, very much. I think people rein in. I think people start paying down debt, which we are seeing. I think people save, which we are seeing. I think people tend not to spend when those types of things are going on. This is going on around the world, not just in Canada. It is a concern. I am not minimizing it at all, but I think that is why there is the lack of confidence there.

We have got to get through this restructuring process. All industries and all businesses everywhere are having this problem. It is not just in Canada where the confidence is down; it is everywhere. The hon. member knows that.

I think we should have a very frank discussion about what is going on in the world rather than hammering away. I will tell you one other reason. The opposition gets up every day and just hammers away, just bangs away at all the problems. God, we do not minimize the problems, we have got them. They are major and we are doing something about it. Therefore, the hon. member should be fair in his criticisms of the Minister of Finance when he says those things.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I think the comments which the junior Minister of Finance has just stated to the House, that we should have a frank discussion and that we should talk about what is really happening in this country, are good suggestions and I am going to follow them. I want to follow them in talking this morning, as coolly and as unemotionally as I possibly can, because I think that maybe I will get it out of my system. To start with, I think what this government is doing with respect to the unemployed people in this country is sick. I think there is a psychological sickness in this government which frankly appals me as a Canadian.

I want to try to talk about some of the reasons that I feel as deeply as I do about that and I want to try and do it as calmly and as coolly as I possibly can.

The minister in his comments has made a suggestion quite defensively. Of course, it is up to the opposition to oppose and up to the government to defend. One cannot accuse it too seriously of being defensive. One of the things that I have always believed is that the government would make far more sense to people by listening, far more sense to the country in trying to explain what is happening if it started out saying: "Yes, there are some very serious problems which have been demonstrated by the unemployment figures that came out this Friday and we are shocked by those unemployment figures".

The government should have been prepared to say that if after nine years of being the government of this country the fact is that unemployment has reached a level of 11.8 per cent, not as calculated by the opposition, but as calculated by the government's own statistical agency, and that level of unemployment is higher than we have had in Canada since 1983, clearly it is doing something wrong.

This government is clearly doing something wrong. We can look around the world at the various other places that the minister mentioned. The United States does not have an 11.8 per cent unemployment rate. In fact, unemployment rates in the U.S. are 7.5 per cent, 7.4 per cent and they are falling.

An hon. member: It calculates them differently.

Mr. Langdon: Based on the same kinds of calculations. Many of the European economists do calculate them somewhat differently but they do so in a way that tends to overstate them compared to our figures.

There are not unemployment rates there that are as sky-high or that have moved as dramatically as in this country. In this country there is a human tragedy. It is a human tragedy that is evident not just in the 11.8 per cent unemployment figures but in the specifics of the unemployment figures.

Take young people for instance. The unemployment rate for young people is 18.4 per cent. How can there be any sense of hope among our young people? How can there be any sense of enthusiasm, of looking forward to the future with excitement and hope in our high schools, our universities, or our community colleges when the unemployment rate among young people is 18.4 per cent?

Look at women. There was a big jump in unemployment last month, and 60,000 of the 84,000 jump was among women. Women are again being hit particularly hard by these increases in unemployment. We can look at what has happened to full-time employment.

Full-time employment fell by one percentage point in this past year. The government would have us believe that jobs have increased in this country, despite the fact that the unemployment rate is up.

An hon. member: There are more people working.

Mr. Langdon: This is true, there are more people working, but more people are working at part-time jobs. More people are doing so involuntarily.

We have a serious and tragic situation in this country, and we can see it not just in the over-all figures. We can see it in community by community figures. We can see it in St. John's, Newfoundland, where the unemployment rate has gone up from 14.5 per cent to 15.2 per cent in the past month. We can see it in Montreal where the unemployment rate has gone up from 12.8 per cent to 13.6 per cent.

We can see it in my home community of Windsor where the unemployment rate is up from 12.8 per cent to 13.6 per cent. In Regina it has increased from 8.4 per cent to 8.9 per cent. Even in Calgary, which used to be thought of as somehow immune from all of these unemployment problems, the rate has increased from 9.8 per cent to 10.7 per cent.

There is a human tragedy taking place across the country. People are losing their jobs and losing their sense of confidence in this country as a consequence.

The Minister of Finance suggested on November 26 that: "I would argue with the hon. member's contention that we are still in a recession". He went on to talk about how there had been this tremendous increase in employment and that there were all kinds of strong positive indicators.

Then reality intruded last Friday with that massive increase in unemployment rates from 11.3 per cent up to 11.8 per cent, higher than anything since 1983. In the face of this human tragedy, this despair among unemployed people, it is perhaps not surprising to see the government talk about cutbacks. It has talked about cutbacks for years. It has talked about bringing the deficit down even though the deficit has gone up.

• (1310)

The reality is that there is something very sick when we have this much unemployment and it is growing and then a government decides deliberately to attack the unemployed. Over 30 per cent of the cuts it made in its budget statement last week were cuts affecting the unemployed in this country, $2.5 billion according to the government's own economic statement, $900 million from those who are identified as voluntary quitters, but

in fact this includes people who are fired from their jobs, and another $1.55 billion from the benefit freeze.

The Minister of Finance was quoted in the *Montreal Gazette* on December 5 as being mystified, as being caught completely by surprise by the outrage that greeted the government's decision to cut off unemployment insurance benefits. The minister is still not really sure why so many people are up in arms.

An hon. member: They are not.

Mr. Langdon: The junior minister suggests they are not. I do not know where he spends his weekends.

If he were to talk to ordinary working people in his constituency, he would have found the sense of outrage, anger and real despair about this government that I certainly found in my constituency, and that I found yesterday in a rally against the North American free trade agreement in Cornwall. This anger and concern is out there. If the minister does not believe it he can wait until the election and discover it for himself.

Why is it there? It is there because people across the country understand what is happening in the labour market?

I want to put on the record this morning some cases that I hope will demonstrate to the Minister of Finance exactly why his decision to attack the unemployed in the way he has is so unjust, so cruel and so fundamentally sick. I will give some examples of people who have phoned in to us, of cases we have been working on in our various constituency offices.

There are a couple of cases from Winnipeg. In one case the person quit his employment because the boss was always in a rage, always intimidating, and always insulting. He was given a 12-week disqualification under the present rules until the other employees of this particular company also quit and backed up his story. At that point the 12-week disqualification was finally eliminated.

Under the new changes, he would have been facing having to somehow go out and get welfare. He would not have been able to get that welfare if he had a bank account of any kind, if he had a house or if he had a car. He would not have been able to get welfare.

In another case from Winnipeg someone was being transferred to another community who had a fiancé. Obviously, his fiancé wanted to move too. As a result of the fact that they had not been living together she would have had to take the 12-week penalty to be able to move from Winnipeg to this other community many miles away.

Under the present changes that are now suggested she would receive absolutely nothing if she wanted to move to the new community and look for a job that would keep her in the same city as the person to whom she is engaged to be married.

That is an actual case.

An hon. member: Are you suggesting that unemployment insurance is for people who quit because they are engaged?

Mr. Langdon: Is the minister suggesting that people should not have some commitments to family life together, that they should not keep the commitment of one person to another? Does this government not understand that people in this country have bonds with each other? Does it not understand these things?

Let us take another case. This is a case in British Columbia. Someone who had worked for two years in a group home for mentally handicapped persons quit and went to a licensing board, to the mental health board for the area, and filed complaints about the conduct of the owner-operator of the home, complaints about mistreatment of residents and misuse of public funds.

A full inquiry was undertaken. While this inquiry was being undertaken the woman involved was requested to keep all information fully confidential. She then applied for UI. She said she had quit her job for just cause but the UIC said it needed a full explanation. She said she could not provide that because of the confidentiality which her complaint involved. She was disqualified for 12 weeks for quitting that job. One year later the investigation of the care home was completed. The home lost its licence. The residents were all shifted to new settings and are doing very well. The woman feels very good about what she did. She is now going back to the UIC to reopen the question of disqualification at that time and she will probably win her appeal. The point is that under these new regulations she would have received absolutely nothing from unemployment insurance for over a year until this case was decided.

Let us take another case from Oshawa. A 22-year old woman worked in a donut shop. She phoned in sick one day. The next day when she went in she was fired. She went to the UIC and said she had been fired. She was told it was just cause because she had phoned in sick.

Under these new rules she would not be entitled to anything at all.

Are we saying that people cannot phone in sick for a day?

I want to talk about three cases from my constituency that demonstrate this point very powerfully. One case concerns a woman who works for a home care institution. Often as she works for her various clients providing home care she does some extras for them. One of her clients, somebody who had known her and her husband as friends before she became employed for this home care company, asked her if she and her husband could move some furniture in the house. Her husband came in and moved some furniture. The home care company that this woman works for has a policy that no "strangers" are to come into the houses of any of the clients that the woman works for.

• (1320)

When they discovered that this woman's husband had come in to move this furniture, this woman was fired. She went to UI, explaining the circumstances, and she is seeking redress with the Ontario Labour Relations Board for unfair dismissal. During this period she has been disqualified again for a period of time from receiving unemployment insurance. Under this new system she would receive nothing.

I had somebody in to talk with me just this past Saturday who was involved in a dispute with her employer who has fired her because he believes that she took money unfairly from his business. She rejects this categorically. They are in a court case to settle the issue. The court case will take at least a year to come to its conclusion. Under the new rules she will have no support. As a single parent of three children, she will have no support whatsoever from unemployment insurance despite her years of paying into it.

All of these cases, and I have many more that I could include, demonstrate how viciously unjust, how psychologically sick this decision is that the government has taken in its economic statement.

I do not know if it will do any good to change this government's mind but we at least will keep fighting. We will keep bringing these facts before Parliament, before the people of this country.

Therefore, I wish to move:

That the motion be amended by adding the following words:

specifically the government's planned changes to the Unemployment Insurance Program which will further victimize the unemployed.

Mr. Dennis Mills (Broadview—Greenwood): My question to the member relates to that portion of the minister's paper, the one investing in growth, and it has to do with the section relating to keeping inflation low. The government goes on to describe the importance of keeping inflation low, and I do not think that any one of us in this House would argue that controlling inflation is a vital ingredient in terms of putting some of the basics in place.

My question to the member, because the member is an economist, has to do with the actual program that we use in the Government of Canada for measuring inflation.

I have been saying, and many other members have been saying, for the last year and a half that there is not any inflation in this country. Things are so depressed; prices are suppressed, even wages have been suppressed. I know that the government, because it is so preoccupied with these inflation numbers, seems to be less sensitive to the million and a half people who are actually carrying the burden of its preoccupation with the inflation numbers.

Does the member think it is possible that the modelling that the government is using to calculate these inflation numbers could be in error and the actual inflation is a lot lower than we actually have shown? Maybe if we took a review of that system we might get this government to let up a little bit and put a little bit of steam back into the economy.

Mr. Langdon: Mr. Speaker, I thank the member for an interesting question.

Inflation levels in Canada are calculated by Statistics Canada using a system of average expenditure patterns which a particular household would undertake in a given month.

They are not based on modelling techniques as are some of the projections in the government's material. Those modelling projections are often subject to considerable error, but the actual inflation figures are rarely subject to those errors. They are, however, somewhat misleading for any individual household because what they give is a figure for an average household.

If you happen to be, for instance, a household which relies on electricity for heating and cooking, the level of inflation, the way prices have increased for you recently has been significantly higher than if you happen to be a household that is using natural gas because natural gas prices have not increased nearly as much.

The other key point to make about the inflation figures is that the great bulk of the increase in inflation which has occurred in recent months have been increases related to government taxation. They are not really signs of pressure in the economy to which the government needs to respond because of the overheating of the economy.

To suggest we have no inflation in Canada might be a little bit extreme, but we certainly have no significant inflation which we need higher interest rates to counter. The higher interest rates which we have had in Canada recently have been related entirely to pressure on the Canadian dollar, a pressure which I think is a reflection of lack of confidence among investors throughout the world in the economic policies of this government.

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, I want to ask the hon. member if in his criticism of the federal government he would not include the borrowings of the provincial governments and that the economic policies and stands that provincial governments take do not affect as well the confidence in the dollar and the subsequent change in interest rates.

Borrowing collectively from the provinces which is greater than the federal government and labour laws which frighten the hell out of business and investment in this country, which the Ontario government is determined to bring in even as the best advice it received told it not to—does the member not think these particular policies also affect the economic performance of this country?

Or does the hon. member just think it is the federal government alone and that in this federation that we have provinces do not have an important role to play in the confidence he talks about?

Mr. Langdon: Mr. Speaker, again I thank the minister for an interesting question because it certainly is the case that what provincial governments do has some effect on business confidence, consumer confidence, on the amount of disposable income that people have in their pockets to be able to spend.

In the House of Commons we have to concentrate on the levels of performance of the federal government. The levels of performance of the federal government as they affect provinces are probably more important than the provincial governments themselves.

• (1330)

The minister talks about the fact that provincial governments have had to go out and borrow more money and he is certainly right in that. It has been true of provincial governments throughout the country. The reason that has had to take place is that the federal government has reduced very significantly its transfer payments to provincial governments. The promises which were made to the three provinces of British Columbia, Alberta and Ontario with respect to support for the Canada Assistance Program have been brutally broken by this government. The government promised when it brought the Canada Assistance Program in that it would pay 50 per cent of that program. Do you know what level it is paying in Ontario now? Just 33 per cent of the total.

The reason for that is that the government of this country has put the unemployment figures in Canada up significantly. It has reduced the capacity of people who are on unemployment to get unemployment insurance and has, therefore, forced provinces to pay the gap, pay the difference because only welfare is available.

For provinces like Ontario the consequence is a shortfall in payments from the federal government of $4.5 billion this past year. Despite that the province of Ontario will be very close to its deficit figures, whereas the Government of Canada is $7 billion higher than the deficit figures it projected for this year and over $10 billion higher for the deficit figures it projects for next year. What we see here is a group of people bankrupting this country both financially and in terms of policy ideas.

The Acting Speaker (Mr. DeBlois): The Speaker has taken under consideration the amendment tabled by the hon. member for Essex—Windsor and I expect to make a ruling after Question Period.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, we are talking today about an economic plan that is, to quote the Prime Minister, staying the course. Let us look at what kind of a course we are staying on.

We are looking at a course that has brought us the highest number ever of Canadians out of work. Canadians are worried about how they are going to put food on the table, how they are going to pay the rent or mortgage, how they are going to send their kids to school. We are talking about staying a course that has brought us a record number of bankruptcies, both individually and personally. We are talking about staying a course that has brought us a record level of poverty. We now have close to four million Canadians living in poverty, one million of whom are children. Food banks across this country are in greater numbers than McDonald's and one third of the people using those food banks are children.

We are staying the course because it is supposed to reduce the deficit. This is the same course that we are now into the ninth year of hearing is going to reduce the deficit. Instead, we have a higher deficit, not a lower deficit. The deficit itself has doubled. Is that deficit paying for more services? Is it paying for programs to address the economic misery in this country? It is not. What we are spending now on programs and services to Canadians has dramatically reduced and this increased deficit is going to pay the debt.

We were going to reduce the debt. This course we are on, and I have read it in every budget statement since 1984, is going to reduce the debt.

How much is the debt reduced? It has gone up by over 200 per cent, up not down. In every budget since 1984 the government has said that it is going to create more jobs. Instead, we see jobs leaving this country, disappearing by the tens of thousands, and by the hundreds of thousands in total, since this government took office.

The only people in Canada who do not know that this course is destroying this country, bringing unprecedented misery to Canadians, reducing our opportunities to have the kind of future that this country and Canadians deserve, the only people who do not know that is what this course of action is doing are the Prime Minister, the Minister of Finance, the Minister of Employment and Immigration and all those sitting on the other side of the House.

We have this kind of a budget because this government sees its popularity vanishing down the drain and drifting into the hands of the Reform Party. It is doing everything it can to steal back votes from the Reform Party, votes from a party that says the "I'm all right, Jack" philosophy of citizenship and of governments is what works. Those who have should continue to prosper. Those who do not should continue to fail in increasing numbers.

A good government and a good society is not about dog eat dog competitiveness, where only the strongest, wealthiest, most powerful and most vicious survive. That is not what this country is about.

The only positive thing I can see in this economic statement is the small bit of assistance that is being offered to small businesses. We have a small business loan program in this country that is not working for small businesses. We know the rate at which those businesses have been going out of business. We know the rate at which the jobs they provide in greater numbers than any other sector of our economy have been disappearing.

However, what we also see in this budget is a deliberate attempt, as we have seen over the years with this government, to stifle the voices of those who stand up for those who are living in increasing misery as a result of the actions of this government. We do see a cutback in funding to organizations for women, funding to organizations for aboriginal people and funding to organizations for the unemployed in this budget. However, if this government believes that stifling the voices of protest is going to get it re-elected it is dramatically mistaken. Those voices are out there and are powerful. Those voices are out there waiting to elect a new government.

This budget is hypocritical and contradictory. It blames the world situation for the misery in Canada right now. That is really easy. If the government blames the rest of the world it does not have to do anything about the problem, does it? It can pretend that it is somebody else's fault, hide its head under the blanket and pretend that it will go away when somebody else does something about it.

It is hypocritical in that it says we need to leave more money in the hands of consumers. Is that what it is doing when it cuts unemployment insurance, when it says that when people have lost their job after 20, 25 or 30 years of dedicated service to an employer they are going to be able to collect barely half their salary, provided it is under $33,000?

Is that how people are going to manage to send and keep their children in school, to send them on to university, to develop the education and commitment to learning that this country needs in the future? I do not think so. Do we leave money in the pockets of consumers so that they can stimulate the economy when we freeze wages for the largest employer in the country?

• (1340)

The federal government itself says that half a million and more public sector employees are going to have no more income next year when they have already been through one year of zero increase and then they are going to have a third year on top of that. Does that stimulate consumer spending? I do not think so.

Does it stimulate consumer spending when the government says on one hand that it is going to spend millions of dollars to create jobs and on the other that it is going to create unemployment within its own work force? Does it stimulate or save money by forcing people not to collect unemployment insurance but instead to collect welfare from the local community where other unemployed people like them are struggling to keep a roof over their head and pay their property taxes? Does that help stimulate consumer spending? I do not think so.

This economic statement tackles the lowest paid or the totally unpaid, the most vulnerable in our society and in each of our communities. It has been the pattern of this government to not do its job for those who most need leadership from their government to end the misery and create jobs.

We have young people dropping out of school to support their families. Does that help build a future for this country? I think not. We have a government boasting about improvements. It says: "Trade is up, jobs are up". However, that is not the reality that Canadians are seeing.

When it has let the situation get so bad that it cannot get any worse I suppose it seizes on one-tenth of one per cent improvement to claim improvement. If there is any improvement in any indicator it is only because under this government the situation has got so bad that it is no longer tolerable for Canadians, and this government is no longer tolerable for Canadians.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I would like the hon. member to tell me how much the interest payments are on the national debt and how much they were when her government left office.

She talks about the debt growing and the difficulties that the government today has in terms of options. She may want to outline for the members of this House and the public what contribution her government made in its previous incarnation as the party in power.

It left a huge debt, and the increase in the debt is entirely due to interest payments. When that government left office the gap between income tax and program spending was absolutely incredible, insupportable. It mortgaged the futures of not only our children but our grandchildren. Those members continue to talk about program spending that would further bankrupt this country, and not just our grandchildren but their grandchildren as well.

Perhaps she would like to explain how her party would come up with all these programs, with all of this spending, with all of these quick fixes without increasing the debt the way it did in the 1970s.

Mrs. Catterall: Mr. Speaker, it is a pleasure to reply to that question with a question to the hon. member.

I ask her how her government has turned the debt of this country from less than $170 billion to close to $500 billion. I ask her how her government has managed to introduce 37 different tax increases, increasing the burden on the poor and making the middle class close to poor, but has still not managed to pay off some of that debt and therefore reduce the interest payments on that debt.

I ask her how through years of good employment, higher revenue into the coffers of the government and lower interest rates her government could irresponsibly fail to pay off that debt. In fact, it has increased the debt and the interest payments on that debt.

I ask her how her government could spend $22 billion a year paying interest on foreign debt. That alone is costing Canadians $11 billion in forgone income tax, $22 billion out of the Canadian economy in interest payments to foreigners. It is money that is not circulating in the economy. That is $11 billion in income tax that could be collected if that debt interest were being paid in Canada. That is one-third of the deficit right there.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, as I was listening to the member from Winnipeg asking my colleague a question I recalled some of the personal income tax increases that have happened during this government's almost nine years in office. From 1984 to 1988 personal income taxes rose from $37.5 billion to $59.7 billion. From 1988 to 1992 personal income taxes increased another 22.6 per cent to $73.256 billion.

As well as not tackling the debt, this government certainly knows how to suck out billions of dollars from the taxpayer. Does the hon. member not think that kind of Draconian attack on the taxpayers of this country goes a long way toward suppressing consumer confidence?

Mrs. Catterall: I thank my colleague for the question. It is probably a good time to remind Canadians of the 3 per cent surtax on income tax that was supposed to come off when the GST was introduced. They will know that they are still paying a good part of that surtax. It is making it more difficult for them to pay their mortgages and pay their debts. Nonetheless, Canadian consumers know they have to pay off their debt and that they cannot simply keep piling on interest on interest on interest as this government has done.

It is a good thing that Canadians are managing their personal finances better than this government is managing its public finances.

[*Translation*]

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, what usually happens to the employee who does not know how to manage the company's budget? He is dismissed. Well, it seems to be high time to dismiss the Conservative government now in power, which from budget to budget has led us straight to quicksand.

When it took office eight years ago, this government promised to put the nation's finances in order and thus assure Canada a prosperous future. Today we see the results. Imagine what this country would have become if it had not promised us a better future.

Every year the Auditor General presents a report of government activities and spending. He does not just say what was done but adds comments and suggests possible cuts. What is this government doing about it? We really wonder.

From what the Minister of Finance presented to us last week in his economic statement, we may even wonder whether he read the report. If he did, he did all he could not to benefit from it.

He announced cuts of some $8 billion spread over two years. About a third, $2.5 billion, has to do with unemployment insurance. To quote Gilles Lesage in *Le Devoir*: "Most cynical of all, instead of announcing some breaks for victims of the crisis or, even better, announcing the promised jobs, the government attacks the present and future unemployed. Those who are already poor and voiceless will become even more so, as if they alone were responsible for their precarious situation. We gladly agree that reforms are necessary, but Ottawa should not be going about them in this manner at this time."

In Quebec the unemployment rate is rising all the time as job creation is not able to offset the lost employment. The Minister of Finance and the federal government could have announced that the overlapping jurisdiction and costly duplication involved in labour force training and development programs would end soon. Even more waste. Quebec needs the assurance that the constitutional agreements that were ready can be turned into administrative agreements. Ottawa is not moving and the situation is getting worse every day. Ottawa still

refuses to get involved and the Reform Party of Canada is glad to see Quebec going down the drain.

• (1350)

There is absolutely nothing here for economic recovery. The only solution Ottawa came up with was to go after the unemployed instead of unemployment. The Tory government is obsessed with reducing the deficit and inflation, but all it seems to be doing is prolong the recession. Is this the way to run a country?

Meanwhile, the Minister of Finance has also created a nightmare for employers and employees. According to Mr. Dufour, president of the *Conseil du patronat*, and I quote:

> These changes mean we will constantly be going to court. Endless legal challenges. I am not saying this measure is all bad, but I have some questions about the way it will be implemented.

It is bad enough for the government to assume that large numbers of people are cheating on unemployment insurance, but taking money out of the pockets of people who worked hard and need help to get back on their feet is simply the last straw.

Of course, the minister will say that the people who are penalized will be the exception, but now that a certain kind of employer will be able to use blackmail, the whole system can turn into a nightmare for the employee.

I would now like to quote Mr. Gaétan Guérard, president of *Mouvement Action-chômage*:

> About 3 per cent of the people on unemployment insurance are freeloaders, and that is par for the course. Most people leave their jobs as a last resort, but now, they may prefer to hang on, which in the long run will be just as bad for the employer.

The changes proposed by the Minister of Finance will not create jobs or replace jobs that were lost, so they are no help at all. These changes are supposed to improve the country's economy. However, the federal government is actually transferring to the provinces the burden of supporting all these people who will end up on welfare. What a strange way to make Canada competitive and prosperous.

After eight years of mismanagement by this Conservative government, the country really needs a responsible government to take charge. It is high time for us to take power to get this country back on its feet. Canada is on a downward slide and we must at all costs stop this slide before we completely lose control.

The government in office was elected because it promised a growing economy, jobs, jobs, jobs, prosperity and a decreasing deficit. What did it deliver? Just the opposite. The country could hardly be in worse shape. Companies are closing left and right, young people no longer believe in tomorrow and more and more people in their forties find themselves with nothing after their jobs were completely wiped out.

Taxes continue to rise, salaries are frozen, inflation is still rising and this government tells us to have confidence. They want us to have faith in its management. That is really making fun of us.

The country can no longer live with band-aid solutions that solve nothing; it is time to take drastic action and to dare to have guts. It is time to take charge of this country, to work with business and to build a promising future.

It is high time to listen and especially to implement the Auditor General's recommendations.

It is high time to stop duplication and give Quebec and other provinces that want it jurisdiction over manpower training and development. It is high time to call an election and let the people choose a new government to run this country.

Mr. Gabriel Fontaine (Lévis): Mr. Speaker, the hon. member said it was time her party came to power to straighten out the economy in this country. Could the hon. member describe the principles and policies that would form the basis for her party's decisions?

First of all, will she increase spending and borrowing? Will she cut or increase revenue? I would like some details on what she expects to do in the way of programs.

Mrs. Maheu: I want to thank the hon. member for Lévis for this opportunity to remind the House of the program suggested by the Leader of the Opposition. To create jobs, we asked for infrastructure projects that would help our provincial and municipal governments and in the process kick-start the economy. The government considered this, but it has only provided for overhauling two bridges in Montreal. That's all it amounts to.

As to whether we want to increase spending, my answer is this. Who increased spending in this country? Who almost tripled the debt? Who raised taxes 37 times? The Tory government. It is high time we started listening to the experts in this country, something it seems incapable of doing.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, I would like to take a few moments to congratulate my Liberal colleague and point out to hon. members opposite that what we need is a government that will start thinking about what Canadians need. Statistics are all very well, but what people want is jobs. They want to work. We know there is no miracle solution. We realize that. But the projects you introduced in your mini budget do not hold out any hope for Canadians. There is nothing there that can help people this winter. We want something for this winter.

The infrastructure project proposed by the Leader of the Opposition would involve all three levels of government: the federal government and the provincial and municipal governments, each contributing one-third. We know these projets are ready to go today. Why were there no proposals for a program of this kind? It seems to me that if we had a number of projects that could start right away, to provide some hope for people who want a job between now and next summer— Perhaps the hon. member would like to comment.

Mrs. Maheu: Mr. Speaker, I am pleased to add to what my colleague said. Canadians are listening to us, of course. In its mini budget last week, the government predicted 5,000 more jobs.

I live in and represent the riding of Saint-Laurent—Cartierville. Saint-Laurent is Quebec's second-largest industrial city. We have lost over 5,000 jobs since this government took power. When they imposed the free trade agreement on Canadians, they said that high technology was our country's future. Philips, a high-tech company in our riding, has just let 490 high-tech jobs go in the very field that the government says is the future. I think that they really need to reflect, consult and listen.

[*English*]

Mr. Speaker: It being two o'clock p.m., the House will now proceed to Statements by Members, pursuant to Standing Order 31.

S. O. 31

STATEMENTS PURSUANT TO S. O. 31

[*English*]

CYPRUS

Hon. Alan Redway (Don Valley East): Mr. Speaker, by the middle of this month Canada must decide whether to renew its UN peacekeeping commitment in Cyprus for another six months.

We have been there for 28 years so it is understandable that our government which is being pressed to provide peacekeepers in other world trouble spots would consider ending our Cyprus commitments.

Cyprus is the last European country still occupied by foreign troops. Since 1974 the UN has passed 24 resolutions calling on Turkey to withdraw its troops.

Canada stood behind the UN resolutions in Iraq and Kuwait. We did not pull out in the middle of the gulf war. We stayed until the job was done.

Negotiations for a solution to the Cyprus problem are scheduled to begin again 100 days from now. Surely the honourable thing for Canada to do is to keep our peacekeepers in Cyprus until their job has been successfully completed rather than pulling out now, risking a new war just so that we can take on another peacekeeping commitment someplace else.

* * *

WESTRAY MINE DISASTER

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, 26 men lost their lives in the Westray mine disaster. Today, seven months later the widows, the children, the workers, the loved ones including Chris Martin of Thorburn, a brother of one of the men who lost his life, are still asking: Why? What happened? What went wrong?

Those widows, those workers, those children have a right to know. Canadian taxpayers also deserve to know because they footed the bill to the tune of $135 million.

They are asking whether safety was compromised. Why did the Prime Minister act so quickly to have the deal approved? Were human lives the pawns in a political game?

A federal inquiry could answer these questions. That is why the Prime Minister should call one without delay. Or, as the Prime Minister unwittingly indicated in responding to the member from Halifax West last week, does he have something to hide in this matter?

* * *

[*Translation*]

OLYMPIC GAMES

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, the Quebec City Organizing Committee realized a major coup this weekend by putting Quebec City on the list of finalists for the Winter Olympics of the year 2002. The final choice will be made on June 16, 1995, in Budapest. This is a first victory for the volunteers who worked hard for beautiful Quebec City, known world-wide for its hospitality.

Mr. Speaker, there is still much to be done, but I want to assure you that the people of Abitibi are proud to be part of a project which is so wonderful for the population of Quebec and that of Canada.

* * *

[*English*]

STEEL INDUSTRY

Mr. Stan Keyes (Hamilton West): Mr. Speaker, like other sectors of the Canadian economy ravaged by this recession, the steel industry is no exception.

Combined with the thousands of lay-offs and trade disputes with the U.S., inaction by the Conservative government threatens future destruction within the Canadian steel industry.

Stelco chairman Fred Telmer says that problems in the steel industry are symptomatic of larger concerns. He notes there is a list of trade disputes with the United States "as long as your arm, covering a whole raft of products including automobiles, wine, beer, softwood lumber and furniture" because the Canadian government has failed to make good on commitments to solving trade disputes.

Even the member from Burlington who is chairman of the non-partisan all-party steel caucus has failed to seize the opportunity to take the steel caucus to Washington on behalf of Canadian producers where a dialogue and possible solutions could be found to the trade disputes.

In the absence of government action on promised negotiations Canadian steel producers have submitted a proposal for a steel accord between Canada and the U.S.

In the words of Stelco chairman Telmer: "It would be a tragedy of monumental proportions if the government sacrificed such a proposal on the altar of a lack of political will".

* * *

PREMIER RALPH KLEIN

Mr. Doug Fee (Red Deer): Mr. Speaker, on Saturday night the Alberta Conservatives paid tribute to retiring Premier Don Getty and elected Ralph Klein as the new party leader.

In the most open and democratic process ever used in Alberta all members of the party were allowed to vote at polling stations across the province. Over 72,000 Albertans took advantage of the opportunity and the people confirmed the caucus choice for leader.

As mayor of Calgary, Mr. Klein had welcomed the world to the most successful Winter Olympics ever. His success this week at gaining supporters from all corners of Alberta proved that his popularity with the people continues. If he can build on successes like that Alberta is going to be in good hands.

I join all Albertans in extending congratulations and best wishes to Ralph and his wife Colleen as he prepares to assume duties as the 12th premier of the province of Alberta.

* * *

GOVERNMENT SPENDING

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, last week's announcement of cuts in foreign aid and environmental spending is another in a long line of broken promises from the Tories.

They clearly do not understand global security. The Tories find money for their pet projects like the $4.4 billion on military helicopters and they cut foreign aid spending. Population, poverty and debt are very real threats to our common security. Poverty is not sustainable.

Perhaps if this government had spent 0.7 per cent GDP on foreign aid as the environment minister promised yet again at the earth summit, there would be no need to send troops to famine-stricken Somalia.

The Conservatives also cut environment spending here at home instead of investing in a long-term, environmentally sound economic strategy.

They have demonstrated appalling deception by promising all kinds of action at the international level knowing they will renege, retreat and reveal their true Tory-blue nature.

I have some advice for this crisis-mismanagement government: scrap helicopters. Finance environmental security both here and abroad.

* * *

MEDICAL RESEARCH

Mr. Scott Thorkelson (Edmonton—Strathcona): Mr. Speaker, the University of Alberta, which is situated in Edmonton—Strathcona, is the second largest university in Canada. It is renowned for its excellence in medicine, pharmacy and chemistry. The University of Alberta's Health Sciences Centre is a leading edge hospital. Alberta is also home to the Alberta Heritage Savings Trust Fund Medical Research Foundation which funds medical research out of the earnings of its $600 million fund.

Recently Glaxo Canada announced it would spend $15 million over five years on research leading to potential cures of hepatitis B and AIDS. Its partners are the University of Alberta, the University of Alberta Health Sciences Centre and the Alberta Heritage Savings Trust Fund Medical Research Foundation.

This is a powerful combination of commitment, equipment, research capability and knowledge. Over 40 Ph.D.s will be involved in this project.

This is all possible because of Bill C-91, an act to extend patent protection to brand name, innovative pharmaceutical manufacturers.

* * *

PREMIER RALPH KLEIN

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, on December 5, Ralph Klein, former mayor of Calgary and environment minister, steamrolled passed the establishment to win the race to become leader of the Alberta Progressive Conservatives and the province's 12th premier.

For the first time, Albertans of all political stripes were entitled to cast their ballots for the premier. This is the first step toward the primary voting system in Canada. Albertans want more open and democratic institutions. They will continue to lead the way for change.

As well, Albertans would like to know why the House Special Committee on Parliamentary Reform has held 21 secret and only 4 open meetings. This committee of Conservatives, Liberals and NDPers exemplifies the archaic attitudes of this institution.

Albertans want an elected Senate. We urge the Prime Minister to listen to the people and call for elections to fill the current vacancies in the Senate.

Congratulations, Premier Ralph. I wish you and Colleen success in your efforts on behalf of the people.

* * *

CHRISTMAS TREE INDUSTRY

Mr. Peter L. McCreath (South Shore): Mr. Speaker, later this afternoon a ceremony will take place that recognizes excellence in one of Canada's renewable resource industries, the real Christmas tree industry.

This year's national winner of the annual competition to determine Canada's outstanding Christmas tree grower is Mr. Bruce Turner of New Ross, Lunenburg County, Nova Scotia. Bruce will present a winning tree to the Prime Minister.

Cultivated real Christmas trees are grown to be harvested. They represent one of the most important centre-pieces in the celebration of the Christmas season. Real Christmas trees are a renewable resource produced by an environmentally friendly industry. They are beautiful and they even smell good.

I urge all members and all Canadians to include a real Christmas tree in their plans this year. None are better than the balsam firs produced by Bruce Turner and his fellow growers from Lunenburg County and the South Shore of Nova Scotia.

S. O. 31

WATER QUALITY

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, water is Canada's most valuable resource. Improving the quality of water is one of Canada's most pressing issues.

Lakes and rivers are damaged by air pollution. In many cities rivers are used as sinks for dumping waste. Underground water is polluted by pesticides and other toxic chemicals.

Seven years ago the Pearse inquiry recommended a comprehensive water policy for Canada. Seven years have gone by and still the government has not produced a much needed water policy for Canada.

• (1410)

We urge the government to pay attention to how water quality impacts on public health and the economy.

Canadians expect action from the provinces and the municipalities, but the initial step must be taken by Ottawa where the political will is lacking.

Will the government wake up after seven years of inaction? Will the Minister of the Environment discharge his responsibilities on water on behalf of all Canadians?

* * *

[*Translation*]

CHRISTMAS SEALS CAMPAIGN

Mr. Allan Koury (Hochelaga—Maisonneuve): Mr. Speaker, the Canadian Lung Association's annual Christmas seals campaign is now under way.

The Canadian Lung Association was the first national volunteer organization. It was founded in 1900 to fight tuberculosis, which was then a major health problem. Since then the association has attacked lung cancer, asthma, chronic bronchitis and emphysema, in particular.

We all know Christmas seals, but we may not all be aware that this campaign is the lung association's main source of funds. Every year, some 11 million seals are sent to five million homes. The funds collected are used for basic activities: research, education, services, patient care and the health promotion campaign.

I congratulate the Lung Association and I hope that its Christmas seals campaign is a great success.

* * *

[*English*]

EMPLOYMENT

Mr. Ron Fisher (Saskatoon—Dundurn): Mr. Speaker, the Minister of Finance's edict that Canadians who quit their jobs or are fired for cause is one of the most vicious decisions ever made by a Government of Canada.

At best, it says work or starve. At worst, it violates the basic democratic and legal principle that a Canadian citizen is innocent until proven guilty.

A company can dump pollutants into our oceans and be fined a mere $2,000 after due process. A Canadian under the new proposals of the government who quits his or her job or is summarily fired is in reality being subjected to a fine of from $7,242 to $21,300 without due process, without the right to defend the case before the penalty is imposed.

I call upon the government and the minister to reconsider this vicious proposal.

* * *

MISSISSAUGA YOUTH ADVISORY COMMITTEE

Mr. Bob Horner (Mississauga West): For the past 10 years the Mayor's Youth Advisory Committee of Mississauga has provided a forum for young people to address issues concerning their future and provide input to all levels of government. As well, members of the Mississauga Youth Advisory Committee are active participants in projects throughout the city of Mississauga.

In recent years the committee has fostered discussions on racism and discrimination, the environment and youth crime. Members of the committee assist in Earth Day celebrations and Canada Day festivities. As well, they have been active supporters of Our Place Peel, Mississauga's only youth shelter.

During this 10th anniversary year, the Mississauga Youth Advisory Committee sponsored a successful youth conference. They talked about drug abuse among youth, as well as issues relating to the future of Canada.

As I extend my congratulations to the Mississauga Youth Advisory Committee I would also like to encourage other young people across the country to be active participants in addressing the difficult issues facing the youth of our country and the nation as a whole.

* * *

INTERNATIONAL FUND FOR ANIMAL WELFARE

Mr. Jack Iyerak Anawak (Nunatsiaq):

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

The recent advertising campaign of the International Fund for Animal Welfare is totally misleading and irresponsible. The fund says it wants to have some honesty and clear thinking on harvesting issues.

Let us have some honesty by giving Canadians the facts that animal rights groups do not tell Canadians.

What about the fact that the anti-sealing lobby destroyed the economy of the eastern Arctic? What about the fact that aboriginal unemployment in the eastern Arctic is now about 80 per cent? What about the fact that since it is no longer possible for families to make their living by hunting, the social welfare rolls have soared and social problems have increased?

What about the fact that manufacturers of fake fur coats cause more serious environmental consequences than wildlife harvesting ever will?

The fund and other animal rights groups say continued hunting will drag down Canada's reputation in the eyes of the world.

As the world heads into 1993, the International Year for Indigenous Peoples, let the truth be told about how these groups continue to drag down aboriginal peoples by exploiting domestic and international ignorance of wildlife and aboriginal peoples.

* * *

ABORIGINAL PEOPLE

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, I have just returned from travelling with the Royal Commission on Aboriginal Peoples in my riding. What the commission heard regarding the high rate of teen suicides in northern Ontario is quite shocking to say the least.

Since 1986 there have been 49 suicides and nearly 800 suicide attempts by teenagers. This is nearly seven times the national average. It is clear from the statistics that the government has failed to provide adequate policies and financial resources to deal with the issue of suicides in aboriginal communities.

It is time for this government to move very quickly, first, by committing the financial resources to help these communities deal effectively with the problem of teen suicide and, second, by conducting an inquiry to look at the long-term issues relating to suicides.

* * *

FEDERAL-PROVINCIAL AGREEMENTS

Mr. Rod Murphy (Churchill): Mr. Speaker, last Thursday, Manitoba Premier Gary Filmon refused to attend a PC fund raising dinner with the Prime Minister. Despite the fact that Filmon's finance minister, Clayton Manners, had endorsed the federal government's economic statement, Filmon was reported as being miffed that Manitoba did not receive its fair share in the mini budget.

Why have these two Conservative governments not renewed a number of federal-provincial agreements that the former NDP government of Manitoba had initiated?

Why has the inner city core area initiative been allowed to die? Why has the northern development agreement not been renegotiated? Why is there no new agreement on the bay line in the port of Churchill? Why have affirmative action education programs for natives been dropped? Why have land entitlement negotiations, which are so important for the economic development of native people, been put on the back burner?

Why have any number of federal-provincial agreements, including tourism, mining and forestry been either downgraded or dropped?

Why can these two Conservative governments not work with each other?

ORAL QUESTION PERIOD

[*English*]

UNEMPLOYMENT

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Minister of Finance. Fact: the recession has been going on for 30 months. Fact: by the government's own admission it is a made-in-Canada recession. Fact: 1,600,000 Canadians are not working. Fact: 2,300,000 Canadians are on welfare. Fact: one million Canadian children are living in poverty. Yet the pre-Christmas message of the Minister of Finance last week was: stay the course, our economic policies are working.

If this government is doing such a good job, why does Canada have the highest unemployment rate in the western world? Why is our jobless situation worse than that in the United States, Britain, France, Germany, Japan and even Italy?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I would have thought that the hon. member would have been pleased and satisfied to note that the prime interest rates fell today. The Bank of Montreal lowered its rate to 8.75 per cent, as did the Royal Bank and the Toronto-Dominion Bank. It is a very positive outcome arising from the economic plan I announced in the House on behalf of the government last week.

The economic plan I announced is about creating jobs, creating new opportunities, investing in growth, investing in people, investing in infrastructure, investing in new efforts to trade and investing in partnerships.

In the small business sector alone, which is the most important engine of economic activity in Canada, we took several steps; freezing UI premiums, a premium holiday on new employees, a 10 per cent investment tax credit, improved access to capital, improvements in R and D, improvements in the treatment of capital cost allowance. All of these are positive measures that will generate growth and job activity.

[*Translation*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, in fact, the number of welfare recipients in Quebec alone is rising by 3,000 a month. Six hundred thousand people just in Montreal live in poverty. However, the policies announced by the minister last week will force more unemployed people onto welfare as of April 1. The government will therefore claim that the unemployment rate has gone down, when in fact the minister is not solving the unemployment problem but is putting more people on welfare, which costs the provinces and municipalities more.

• (1420)

Does the Minister of Finance think that by reclassifying people who are out of work they will disappear?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, given the country's economic situation, we should instead look at the measures put forward by the Minister of Finance and the government and how we can help these unemployed people.

As a government, we decided that we had to invest massively in developing human resources, both in Quebec and in the rest of the country. That is why, for example, $400 million was spent in the past three years to train the unemployed and jobless. This amount was raised to $2.2 billion this year and tens of thousands of unemployed people will have a chance to acquire skills with which they can return to the labour market.

We must consider how we can help people. To encourage investments, we need a skilled work force, and that is where the emphasis was put in last week's statement.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, last week, the minister said that these policies, which would put the unemployed on welfare, showed that the government had balls. I, for one, am glad I do not have any. Today, more than two million people are on welfare, and these policies will put even more people on welfare.

Why does the Minister of Employment and Immigration keep hurthing the neediest in our society? Why are his policies so unfair?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the truth is that since the last recession in 1981-82, people who exhaust their unemployment insurance benefits and go on welfare represent about 10 per cent of the total. To hear the hon. member talk, you would think everybody was going on welfare. The statistics are clear. They show that 70 per

cent of these people are back on the labour market within six months. What matters is how we are going to help people get back on the labour market. We on this side of the House say that the key is training. That is why we have increased our resources for training the unemployed and other Canadians to a total of $3.8 billion this year, something unprecedented in Canada's history.

[*English*]

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, my question is for the Minister of State for Youth.

When the minister took over the youth portfolio in April 1991, 390,000 young people were out of work. Nineteen months later that figure has increased to an incredible 438,000 people. Over 40,000 more young people have joined the ranks of the unemployed since this minister took office.

Specifically, what is the minister going to do to get these young people back to work?

Hon. Pierre H. Cadieux (Minister of State (Fitness and Amateur Sport) and Minister of State (Youth) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, as the hon. member and everybody in this House knows, we have been living through a recession. Unfortunately young people have suffered from the effects of the recession like the older people, that is people beyond 24 years of age.

The hon. member should recognize that the economic statement of last week is the instrument to permit everybody, including youth, to get back to work and to benefit from the situation that is going to prevail in 1993, including the creation of 300,000 new jobs.

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, when the minister was talking on Friday about creating jobs, he gave no specific details on job creation for Canada's 438,000 young people out of work. In fact, the economic statement of the Minister of Finance makes no mention of any job creation program directed at youth.

Why is there no specific job creation program to get our young people back to work today?

Hon. Pierre H. Cadieux (Minister of State (Fitness and Amateur Sport) and Minister of State (Youth) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, I would recommend that the hon. member reread the economic statement, which I am sure he has not done yet. The statement clearly identifies the initiatives with respect to partnerships and to small business, which creates 80 per cent of the jobs in this country.

* * *

[*Translation*]

SOMALIA

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is directed to the Secretary of State for External Affairs.

We are all deeply affected by the tragedy in Somalia. I think Canada's participation in UN activities in this country is appropriate in that we are using Canadian troops for humanitarian purposes.

However, a decision to send troops into a war zone is a major one that should be debated by Parliament before the fact. This decision was made without consulting Parliament, without debate.

I would like to put the following question to the minister: Why was this intervention not debated in the House?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, it is the government's responsibility to formulate and make decisions on major issues, such as the situation in Somalia. However, we have offered, first of all, an opportunity for discussion or debate in the House and that opportunity will be given this evening. We also offered to brief members of the Liberal Party and the New Democratic Party on the details this afternoon, before the debate.

[*English*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I have a supplementary question. My first question asked why, on such an important matter as sending troops—not that I have an objection to that—was there not a debate in the House of Commons before the decision was taken, with all of the reasons presented to the Canadian public so that we can have a real debate. It is an abrogation of the democratic process for the government to say: after we have taken the decision, we will have a debate on it.

I want to ask the minister this. The role of Canadian troops is not entirely clear. When will Canadian troops be leaving? To whom will the Canadian military forces be accountable? What precisely will be their role and who is paying the cost?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, much of this will come out in the discussion tonight.

As I said to the hon. member, it is the responsibility of the government to take decisions in a timely way. It was important that we respond to the request immediately. It is our responsibility and our prerogative to do that.

In the initial announcement we said that we would look forward to a parliamentary discussion of the issue, so we have been very forthcoming from the beginning with information.

The unified command held briefings in New York on the weekend and all of these things are emerging. We will make them as clear as we can tonight in the debate and before the week is out.

Hon. Audrey McLaughlin (Yukon): A supplementary, Mr. Speaker. Clearly the government does not care about the democratic process. The minister made statements outside the House on what the decisions of the government would be and did not make these statements inside the House.

Surely the Government of Canada has a responsibility to seek the wisdom of all sides of this House on such an important matter.

As we read in the media—not discussed here—we realize that this is a short-term exercise in Somalia. We know that it also needs a long-term solution.

What initiatives has her government taken to ensure a long-term solution after the military relief effort is over, and what assurances do the people of Somalia and the world have that the situation existing now will not simply continue as it is?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, in announcing our decision on Friday, I said that we would be taking part in this first phase but that we would not remain to perform a peacekeeping function.

I informed our Ambassador to the United Nations last night on the telephone that obviously there will be a need for other things afterward besides peacekeeping forces. There will need to be assistance in building some of the democratic institutions, the infrastructure and so on, bringing some kind of orderly economic development into Somalia. We are a very aware of that.

I have asked her to tell the Secretary-General that we will be working on some ideas and some proposals with the United Nations for what comes afterward.

* * *

• (1430)

ATLANTIC CANADA

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, my question is for the Minister of Finance.

In 1984 the Prime Minister of Canada promised to inflict prosperity on the Atlantic region. It has been eight years since that commitment, and it is not prosperity with which we have been inflicted but rather unemployment which has afflicted the people of the Atlantic region.

Last week in his budget the Minister of Finance made a bad situation worse by announcing cuts to the Atlantic freight rate subsidy, cuts to the Atlantic inter-regional subsidy and cuts to the Atlantic selective westbound subsidy.

How does this government expect to inflict prosperity or even bring a measure of prosperity or even nudge Atlantic Canada toward prosperity when it continues to cut the region adrift from the rest of this country?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member knows—and many members on his side of the House have pointed it out—that there has been upward pressure on the deficit due to the very dramatic decline in revenues. We have gone through a process of broad based belt tightening all across the board in order to get a better handle on the deficit and to contain it as best as we possibly can.

We took a number of measures to reduce expenditures, but we also took a number of measures to invest in growth, jobs, people and economic activity so that we could generate jobs and growth. We emphasized training and we emphasized a number of infrastructure projects like the fixed link and improvements in the road system which will be very important to the Atlantic region.

In order to do that and to create that job activity in the very short term, we had to go through a process of reallocation. It is important that be pointed out because we have gone through a process of reallocation to put money in those areas that would generate the kind of economic activity and the job creation activity that the hon. member, I am sure, recognizes and that needs to be fulfilled.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, the freight rates for the Atlantic region have been in place since 1927. This government has arbitrarily cut these subsidies, without consulting any of the provinces, without consulting the Atlantic provinces' economic council or the Atlantic provinces transportation commission. They will primarily impact upon manufactured, value added industries, and the minister knows that.

Is the minister prepared to stay these transportation subsidy cuts, to consult with the provincial governments in Atlantic Canada and to consult with the transportation commission to realize a sensible approach to these transportation programs and not to destroy arbitrarily a program that has been in place for nearly 60 years in Atlantic Canada?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, there comes a time when governments are faced with the difficult choice of having to contain spending.

We are at the point where because of the dramatic decline in revenues we have to take extraordinary steps to bring our spending and our revenues more in line. We are asking Canadians across the board; it is not only that there is an attack on the Atlantic region or any one region of the country.

What we are proposing here are across the board reductions for a period of time. It is an exercise in belt tightening so that we can preserve in the future those programs that are so important, have been so important in the past and will be in the future as well.

PHARMACEUTICALS

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs.

In a radio interview this weekend on CBC commenting on the government's drug patent policy, the minister said: "It is not a health issue. Whether it is a bicycle, whether it is a song, whether it is a drug, it is all just intellectual property".

This policy is all about health care. It is all about Canadian consumers and Canadian health care systems having to fork out billions of dollars more to multinational drug companies.

How could the minister possibly make such a ridiculous statement which effectively equates the integrity of Canada's health care system to the patent on a hockey helmet?

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I am happy to see that the hon. member is now listening to me. It is the first time in the last three years he has even listened to me.

What I mentioned was that obviously this legislation was about intellectual property. Patented drugs represent only 3 per cent of total health costs in this country so the 97 per cent are other matters such as hospital costs, surgery and all those things, as well as generic drugs.

What we should do with that is look at whether Canada wants to be in line with the rest of the world as far as intellectual property is concerned. This is what this bill is all about.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my supplementary question is for the same minister.

The Minister of Health of British Columbia, Elizabeth Cull, stated clearly: "The British Columbia health care plan will pay out over $145 million more for just two drugs as a result of this government's patent policy".

When will the minister stop working for the interest of multinational drug companies and start working for the interest of Canadian consumers, the people he was elected to serve?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I think that in the past several months, we could have really discussed the facts instead of fears and instead of frightening Canadian consumers. I believe that the figures speak for themselves; the most accurate estimates we have now show that the increase will not be more than $125 million over five years. That is a dollar per Canadian per year. Beyond that, we have already obtained $1.1 billion in investment since 1987. We will get $500 million more in the coming months so that Canadian researchers, physicians and universities throughout Canada can be in the major leagues of research. I think we owe that to Canadians.

[*English*]

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I have in my hand a copy of a letter dated February 26, 1992 from the U.S. multinational drug companies to U.S. trade negotiator Carla Hills, which states:

> In clear, straightforward language, the NAFTA must require Canada to dismantle its discriminatory compulsory licensing regime for pharmaceutical products and to suspend the granting of any compulsory licences from December 20, 1991 forward.

My question is for the minister answering for the minister of trade. Will the minister confirm that Bill C-91 accomplishes both of these U.S. goals and confirm that with the NAFTA Canadian governments will lose sovereignty and will not be allowed to bring back compulsory licensed low cost generic drugs?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, there are two questions and the answer to both is no.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, it is now clear that the December 20, 1991 retroactive date was not required by GATT but was directed by the U.S. pharmaceutical industry and resulted in 24 drugs receiving up to 13 years additional patent protection.

In view of this, will the government do the honourable thing in the face of this corporate greed and withdraw Bill C-91?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I think that my colleague is leaving something out. December 20, 1991 was the date Mr. Dunkel, GATT Secretary General, tabled his report and all industrialized countries that make pharmaceutical products and do basic research accepted this date. I do not see why Canada should have a date different from the rest. It is not by choice or related to trilateral or bilateral negotiations but because we live in a world where more and more barriers are coming down. Canada wants to be a leader in basic research, which will help Canadians and Canada enter the 21st century not as copiers but as a country that does basic research.

* * *

• (1440)

NORTH AMERICAN FREE TRADE AGREEMENT

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my question is directed to the Minister of Finance.

The North American free trade agreement involves a thorough restructuring of our economy. From now on Japan, through Mexico, will be within driving distance of our domestic markets.

Why does the government keep repeating the same mistakes it made in the free trade agreement with the United States? Why, in last week's minibudget, did the minister refuse to prepare Canadian workers and businesses for this unprecedented level of international competition?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the hon. member should take the trouble to read last week's statement.

If we look at the statement over all and the major investment in human resources, in training, there we have Canada's key to success on international markets, the key to being competitive and productive.

The hon. member has been asking us to invest more in human resources, and now that we have, I am waiting for a token of approval.

[*English*]

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, the fund went broke last June and what the government has put in place will not carry it through the last summer. The fact is that it is substantially short of the mark and it is going to bear a terrible penalty for it.

There can be no worse time to enter into a free trade agreement such as the one this government wants with Mexico than during a period of crippling unemployment. Those who are at the greatest risk are the middle aged who are without training and the young who have no employment history. NAFTA as it is is a bad deal for Canada.

Why is this government compounding its failure? Why is the government refusing to bring in adjustment measures now to help those for whom Mexico represents the greatest threat? Or, was last week's budget indeed the government's final response to NAFTA? That would be the unkindest thrust of all.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the hon. member just said that the moneys we had raised for training unemployed Canadians would not last. I do not know how long he said, but it is not enough. This is the party that opposed the activation of this passive fund within UI.

If the Liberals and the House are ready today to pass a unanimous resolution to increase that activation of the UI fund, I am ready to do it today.

* * *

MANITOBA

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

Last week, as the minister will know, the Prime Minister took his travelling show out to Winnipeg, but instead of being greeted by rousing crowds of enthusiastic supporter he was greeted by very angry Manitobans, including the premier of Manitoba who could not even be bothered to stay for dinner.

Given the opposition in Manitoba to the scorched earth policy, again reconfirmed in the Wednesday mini budget, could the Prime Minister not come back and instruct his minister to rewrite the budget and give something, one little thing, to Manitoba?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, there is something in the economic plan that I outlined last week for every province and every region of the country.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, my supplementary question is for the same minister.

So far this government has not committed itself to a proper highway construction project in Manitoba, has not confirmed that it is going to support the core area initiative despite three years of promises, and has not even found a site for the virology lab which was first publicized four years ago.

When are these promises going to be lived up to? When is the government finally going to do something for the province of Manitoba?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, the member is dead wrong. It is in his riding. It is at the corner of Tecumseh and William. If he does not know where Tecumseh and William is, I will take him to his riding some time.

* * *

UNEMPLOYMENT INSURANCE

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, my question is for the minister of employment.

Last Wednesday after the finance minister's mini budget, one of the delegates at the B.C. Federation of Labour Convention explained that he had been fired for representing a union member in a grievance. It took months, with the help of the union, to reinstate him.

During that time he survived on UI. When he won reinstatement, he was granted $20,000 retroactive pay from which he repaid UI. Under the proposed new rules, he would be unable to collect that UI. Will the minister acknowledge that the disqualification of those fired for cause is unjust, unfair and will he reconsider this cruel proposal to ensure that people have an opportunity to appeal their firings?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, in 1991–92 there were 225,000 Canadians who quit a job without reason. They are the only people who will be affected by these changes, those who voluntarily quit a job without just cause, not those who have a good reason, those who have a just cause. This government in amending the Unemployment Insurance Act put those reasons in the act.

The process for determining just cause is not touched at all. It will not change the situation from what it was before. The only difference is that employers and employees, hard working Canadians, will not subsidize paying benefits to a person who quits a job for no reason.

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, if the minister wants to talk about those who leave voluntarily as opposed to those who are fired—my question was about firing—I will talk about those who leave voluntarily.

At that same convention a woman delegate got to her feet and, fighting back tears, explained to the delegation that as a non-union worker, she left a non-union job because she had been sexually harassed. She told of how humiliated she was, how frightened of her employer she was and how emotionally she could not face taking him on. She also said that in her industry, if she had taken on her employer, she would never have worked again.

She quit and searched for another job, knowing she would have UI. What will this woman and hundreds of other women in Canada do if they will not be eligible for UI under this process? Will the minister, knowing that women cannot take on the system, rethink this wrong-headed policy?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I do not know why the NDP keeps insisting that sexual harassment is not a just cause. I am telling them it is and they, as representatives of the people of this country, should stop arguing.

* * *

CYPRUS

Hon. Alan Redway (Don Valley East): Mr. Speaker, my question is for the Secretary of State for External Affairs who is aware that during this coming week the government must decide whether or not it is going to renew our peacekeeping commitment in Cyprus. Although we have been in Cyprus now for some 28 years, and the government is being pressed to undertake new peacekeeping commitments elsewhere, surely the minister will agree that Canada should stay in Cyprus, finish the job and bring it to a successful conclusion before we leave Cyprus and risk another war. Or, is this decision to be made solely on the basis of cost at the same time we are undertaking other commitments elsewhere in the world?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, the decision will be made very shortly. I should say it will not be made solely on reasons of cost. In fact, in this case that is a relatively small matter compared with some of our other operations.

• (1450)

I should say that after 28 years, Canada feels that it has done an excellent job in the region. We are very disappointed that up until now, negotiations have not been successful. In fact, the negotiations that have been going on this year have gone on partly because Canada last January raised this with the Secretary General and indicated at that time that we would pull out if there is not progress.

I should say as well that whatever Canada's decision, it does not necessarily mean an end to peacekeeping in Cyprus. There are countries that can be called upon and it is the responsibility of the Secretary General, if he feels that peacekeeping should continue, as long as the Security Council continues to appropriate itself to him, to fill that role.

The House will know very shortly what our decision is.

* * *

[*Translation*]

GENERAL AGREEMENT ON TARIFFS AND TRADE

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is directed to the Minister of Agriculture. What are the latest developments in the GATT Uruguay round and what repercussions will they have on the Canadian agricultural industry?

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, the initial agreement reached recently by the Americans and the Europeans obviously brought the subject back on the table. As you know, the Europeans reacted in various ways. For us it was good news because as far as Canada's exports are concerned, it is important to stop these outrageous subsidies which have destroyed agriculture in many parts of the world as a result of the billions of dollars spent on subsidies.

However, negotiations are expected to resume, probably next week which is expected to be very busy, and Canada will be well represented at the talks to ensure that as far as the marketing boards are concerned, which are represented across Canada, and especially in the maritimes, Quebec and Ontario, the position on article XI is maintained. We will do everything we can, together with the people in the industry, to defend Canada's position.

* * *

[*English*]

MUNICIPAL TAXATION

Mr. Joe Fontana (London East): Mr. Speaker, my question is for the Minister of Finance.

Buried in the fine print of last week's mini budget is a sinister policy change which potentially could increase taxes at the municipal level and ultimately to homeowners, renters and small businesses.

The federal government is freezing its grants in lieu of taxes program at the 1992 levels, a reversal of its commitment to municipalities. How does the minister expect municipalities to make up for this 1993 budgetary shortfall other than by raising property taxes and why should municipalities be forced to fund this government's mismanagement of the economy?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, again we are talking about a freeze here. I should advise the hon. member that there have been discussions going on with the various authorities to get a better formula with respect to this.

I think it would be fair to say that this would not come as a great surprise. It is a $400 million bill and we are constraining expenditures in various ways. We expect other governments to do the same.

Mr. Joe Fontana (London East): Mr. Speaker, this policy is just another example of how this government pretends to solve its problems by dumping them on to other levels of government.

The changes to the unemployment insurance benefits will download millions on to the municipal and provincial governments. The freezing of the federal government's payments to municipalities will also result in budgetary shortfalls at the municipal levels.

I want to ask the minister how the over-all health of the Canadian economy, which he likes to talk about all the time, will be improved by forcing homeowners, renters and small businesses to pay, not less taxes, but more taxes to municipalities?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, as I said earlier in response to a question, this is a general belt tightening right across the board and we are asking all Canadians and all governments to participate in this exercise.

The hon. member knows very well that the federal government has had to constrain expenditures in order to keep the deficit under control, and it is still rising.

The hon. member is suggesting that we should not implement any cost savings and, at the same time, the members of his party are advocating the expenditure of some $15 billion on infrastructure. I ask the hon. member where he would get that kind of money without some corresponding reductions or reallocation. That is what we are attempting to do. He is either going to borrow more or he is going to tax more. What is he going to do?

* * *

[*Translation*]

DAIRY INDUSTRY

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, my question is for the Minister of Finance.

In his mini budget last week, the minister announced a 10 per cent cut in industrial milk subsidies paid to dairy farmers. Since the Minister of Finance is the former Minister of Agriculture, is he not aware of the harm he will do to dairy farmers?

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I had the opportunity to meet milk producers last week, on Thursday to be precise. Yes, they are rather disappointed, but when we look at it in perspective, this cut is only 1 per cent of the cost of a hectolitre. Since a hectolitre sells for $50, it is only 60 cents on $50, which is quite little, all in all.

Under the formula used to set the price of industrial milk in Canada—and my colleague must know how it works—the milk producers' costs are assessed every six months. The farmers are therefore able to establish their production costs. This means that this amount of 60 cents will be evaluated every year and they will be able to get all or part of it back when the price of milk is set, twice a year.

I think that the milk producers are reacting a little too strongly to the news, which is quite a small cut, all in all, under the circumstances.

[*English*]

Mr. Maurice Foster (Algoma): Mr. Speaker, the minister is quite right when he says that farmers are reacting violently to this cut. He knows that during the past couple of years farmers have had their quotas cut by 10 per cent. On April 1 the minister is proposing to slash that income support program by another 10 per cent. When there is such great uncertainty in this industry already because farmers do not trust this government in the GATT negotiations because of what happened in the FTA, why is the government chopping this income by millions and millions of dollars to Canadian dairy producers? Why?

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, the member is not accurate when he says this is an income program. It is a subsidy that has been paid to producers because of the cost of production method that we have at this time. The subsidy is there, like all grants and contributions, throughout the whole of the government. We are talking about an $8.5 billion reduction in expenditures by the Government of Canada and agriculture is paying part of that.

Mr. Speaker, we have as you know over $20 billion in debt in the agriculture sector. The interest rate fluctuations we have seen over the last number of weeks, because of the view of the international market of Canada, cost agriculture hundreds of millions of dollars. Just 1 per cent in our debt costs agriculture $100 million.

We know it is difficult, but all parts of the government with the exception of those cost shared income programs, safety nets, have been reduced.

TELECOMMUNICATIONS

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, I have a question for the Minister of Culture and Communications. The father of a 15-year old boy contacted me in my office recently. It had to do with the 1-976 sex lines. The phone bill was substantial. It was the first inkling that the boy was phoning these numbers. His concern was how this this number can be kept from the use of young people. There are plenty of ads today. There is a full-page ad in one of our Ottawa papers of these 1-976 telephone numbers.

My question to the minister is, what does the government intend to do to take care of this type of situation for a 15-year old and other young people?

Hon. Perrin Beatty (Minister of Communications): Mr. Speaker, I fully share my hon. friend's concern. When we have a situation where young people are enticed to call and receive sexually explicit material and when this is automatically added to the phone bill, it is a situation that is not acceptable.

I have spoken to the chairman of the CRTC with regard to this and I will be writing to him to ask the CRTC to look into this matter to see if there are ways in which families can be given better protection.

* * *

• (1500)

EXTERNAL AID

Mr. John Brewin (Victoria): Mr. Speaker, my question is for the Secretary of State for External Affairs.

Yesterday of course was the National Day of Remembrance for the Victims of Violence against Women. All Canadians joined in an outpouring of feeling that we should do all we can to end the scourge of violence against women.

Within the jurisdiction of the Secretary of State for External Affairs comes the issue of humanitarian relief, particularly in Bosnia-Hercegovina. At this time, the world is witnessing the systematic rape and assault of Muslim women and girls under the direction of the armed forces of the Serbian government and its surrogates.

Will the minister agree that at least some of the humanitarian funds designated by Canada in the same fashion as is being done from Germany will be set aside for those women, victims of sexual assault and rape in Bosnia, as a mark of our concern in honour of the national day of remembrance in this country?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, we have looked at a number of ways in which to make our aid to that region as effective as possible. I know there were some suggestions on this subject which came forward from the human rights group that was headed by Mr. Broadbent.

I should say that we do this in some areas in the world. We do it in Africa, for example, where there is specific funding targeted toward women in development. We have done it for women in other areas.

I am certainly open to the idea. We want to use our funding for humanitarian aid in that region as well as we can.

There is no question that what is going on there with regard to the Muslims and the atrocities committed on all sides are in many ways particularly hard on women. I would be quite happy to see if there is something we can do along these lines.

* * *

POINTS OF ORDER

COMMENTS DURING QUESTION PERIOD

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, my first question to the minister of employment was regarding a worker fired with cause. The minister responded twice that this policy only applies to voluntary quits. In the economic and fiscal statement it states: "Persons who voluntarily quit their jobs—"

Mr. Speaker: I am sorry, I have to advise the hon. member that is a question of debate. She may wish to pursue it further, but it is not an appropriate point of order.

BILL C-93—SPEAKER'S RULING

Mr. Speaker: I have a judgment to render. On Friday, December 4, 1992, the hon. member for Cape Breton—East Richmond rose on a point of order relating to the omnibus nature of Bill C-93, an act to implement certain government organization provisions of the budget tabled

in the House of Commons on February 25, 1992. I would like to thank him for the succinctness of his presentation. I would also like to thank the parliamentary secretary to the government House leader for his intervention.

[*Translation*]

I have reviewed the matter and am now prepared to rule on the point of order.

The purpose of Bill C-93 is to wind up and transfer or merge the functions, and in some cases the staff, of nine government organizations to other government agencies or departments, and provide for the continuation and ultimate dissolution of the Canadian Commercial Corporation.

[*English*]

The objections raised by the hon. member were that the bill not only would wind up some agencies, but it would also make major changes to public policy with regard to the role of government. The House leader of the Official Opposition stated that if properly drafted, the long title of the bill would indicate its purpose of terminating specific agencies by name, revealing what he felt was the real purpose of the bill. He also argued that it is an omnibus bill and ought to be sent back to the drafters to be divided.

These points are very similar to the arguments presented by the hon. member for Cape Breton—East Richmond concerning the omnibus nature of Bill C-63, an act to dissolve or terminate certain corporations and other bodies, on which I ruled on April 1, 1992. As noted at that time, one of the purposes of omnibus bills is to group together multiple statutory amendments so that discussion in the House may be focused. It was also pointed out that the Speaker has not been given any specific authority over the form or content of omnibus bills.

I would refer hon. members to the ruling of April 1, 1992, which dealt in some detail with the very points raised on Friday last by the hon. member for Cape Breton—East Richmond. The arguments presented in relation to Bill C-93, while put forward with skill, have not convinced me that the Chair should deviate from our practice. Accordingly, I must conclude that it would not be appropriate under these circumstances to accept the objections raised.

Therefore, the bill is properly before the House.

ROUTINE PROCEEDINGS

[*English*]

ORDER IN COUNCIL

TABLING OF PLACEMENTS

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I have the privilege to rise today in the House and table, in accordance with Standing Order 32(2), in both official languages, Order in Council P.C. 1992-2519 which places members of the Canadian Armed Forces on active service for the multinational military effort in and around Somalia.

* * *

GOVERNMENT RESPONSE TO PETITIONS

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 40 petitions.

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

* * *

HEALTH AND WELFARE, SOCIAL AFFAIRS, SENIORS AND THE STATUS OF WOMEN

GOVERNMENT RESPONSE TO SUBCOMMITTEE REPORT

Mr. Jim Karpoff (Surrey North): Mr. Speaker, on February 19, 1992 a report of the subcommittee of the standing committee on health, welfare and social affairs tabled a report in this House on hepatitis B. The report called upon the government to initiate a national hepatitis B vaccination program.

To date, 10 months later, the government has failed to respond to this report. In view of that some of the provincial governments have had to start initiating programs on their own. This means we are now developing a patchwork instead of an integrated public health program that would protect all Canadians.

The government has had 10 months to respond to this report. When does it intend to file a response to the hepatitis B report?

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I have heard my friend's representation and I will undertake to respond to him as soon as possible.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): On the same point, Mr. Speaker. There are 17 reports awaiting a response from the government, 17 reports of standing committees of this House that have not received an answer in the appropriate time. Seventeen is a lot of reporting.

I know the parliamentary secretary is a fair and serious man. Will he give us an undertaking that we will have an answer by tomorrow as to why these reports are not in the possession of the House?

Mr. Edwards: Mr. Speaker, as the House is aware all of us were preoccupied for some weeks with the referendum question. That now being behind us, these reports are now emerging.

While I cannot guarantee they will be available tomorrow, I can tell my hon. friend I have given assurances and I am sure myself that a large number of them will be deposited during the course of this week.

I cannot promise a deluge, but there will certainly be a flurry.

* * *

• (1510)

TOBACCO RESTRAINT ACT

MEASURE TO AMEND

Mr. Arnold Malone (Crowfoot) moved for leave to introduce Bill C-382, an act to amend the Tobacco Restraint Act (persons under the age of 18 years).

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

Mr. Malone: This bill is part of a series of initiatives that needs to be undertaken to enhance the health of Canadians. The bill yields two significant achievements. First, it raises the legal age for the purchase and use of tobacco from 16 to 18. Second, it increases the penalty for retailers who sell tobacco or tobacco products to minors.

The present legislation was enacted in 1908. It established that a person under the age of 16 convicted of smoking will be reprimanded upon first offence, be fined

not in excess of $1 upon second offence, and be fined not in excess of $4 on third or subsequent offences.

These amendments will allow an outdated and therefore useless law to become effective.

Tobacco use in Canada is our greatest health problem and each year 35,000 Canadians die because of smoking. That is more than the combined deaths caused by drug abuse, AIDS, murder, suicide and motor vehicle traffic accidents.

These amendments will correct an otherwise ineffective and inappropriate law.

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

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

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

* * *

SPECIAL DEBATE

SITUATION IN SOMALIA

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I think you will find there is unanimous consent for the following motion:

That notwithstanding any Standing Order of this House, on Monday, December 7, 1992 immediately after the supply proceedings have been disposed of and after the deferred vote on second reading of Bill C-98, this House shall continue to sit and proceed with a special debate;

That for the purpose of this special debate the question before the House shall be:

"That this House affirm its support for all relevant United Nations Security Council resolutions adopted with regard to the present situation in Somalia and for Canadian participation in the multinational effort to establish as soon as possible a secure environment for humanitarian relief operations in Somalia";

That no member be permitted to speak more than once and that speeches be limited to a maximum of 20 minutes;

That under the provisions of this order, the Speaker shall not entertain any dilatory motions or quorum calls;

That when no further member rises to speak, but no later than three hours after the commencement of this special debate, all questions necessary to dispose of the motion shall be put and if a recorded division is requested, it shall be deferred until Tuesday, December 8, 1992 at 3 p.m.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, there have been some discussions with opposition parties with regard to the substance of the motion.

We are prepared to offer our consent to the motion. I do want to make the caveat that during debate, there may be occasion when members on our side will utilize the provisions of the Standing Orders and speak for ten and five, if that is in accordance with our understanding.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I want to indicate our support for having a special debate tonight. My only regret is that we did not have a debate before the action was announced by the government.

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

Some hon. members: Agreed.

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

Some hon. members: Agreed.

Motion agreed to.

* * *

PETITIONS

SOCIAL SCIENCES AND HUMANITIES RESEARCH COUNCIL

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, in the petition I am presenting, the petitioners ask the government that the merger of the Social Sciences and Humanities Research Council with the Canada Council be halted until there is appropriate consultation.

They point out that Canada's major challenges today: the level of poverty, the level of unemployment, people being fed by food banks, people receiving social assistance, are really of the domain of the social sciences and humanities. They plead that to proceed as the government has indicated it wishes to is a step backward.

They ask that it be deferred, that there be consultation before a decision is made. I concur and I hope that the government will support these petitioners.

[*Translation*]

LANGUAGE USED ON RADIO AND TELEVISION

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I have another petition in which the petitioners ask the Parliament of Canada to ensure that the CRTC carefully regulates the language used on radio and television programs.

They point out that on many occasions they have noted that the kind of language used is contrary to the efforts being made in homes throughout Canada.

They add that it is not necessary to use such language, which is a form of violence, and since we are very sensitive to violence in our society, there should be unanimous support for this proposal.

[*English*]

CHILD POVERTY

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, I have a number of petitions to present.

The first one is from a group of my constituents in the Portage district who petition the government to find ways to eliminate child poverty by the year 2000.

YOUNG OFFENDERS ACT

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, I also have five other petitions, not uncommon to this House in recent times, about changing the Criminal Code so that the Young Offenders Act would be updated and the Juvenile Delinquent Act be amended to a lower maximum age of 13 years.

These petitions come from Portage la Prairie and surrounding communities and I present them to the House today.

TELECOMMUNICATIONS

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I have a number of petitions to present to the House today.

The first is from residents of Victoria, Sidney and the Gulf Islands. It is from concerned citizens who care about Canada losing a first class telephone system. That risk will increase if the CRTC accepts the proposal by Unitel and B.C. Rail to enter the telecommunications market.

The petitioners ask the government to consult with all affected parties, especially rural residents who risk substantially increased costs for telephone calls. I present that petition. It is a domestic issue.

THREE GORGES HYDRO PROJECT

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, the other issue on which I have a number of petitions to present to the House concerns something more distant.

It is the Three Gorges hydro project in China. These petitioners are from as far away as Toronto, Regina, Saskatchewan and all over Ontario. They ask the government to refuse to participate in or provide technical assistance, loans, grants, guarantees or subsidies in any form for any aspect of the Three Gorges dam project from this day on.

I urge the government to hear these petitioners and to act accordingly.

[*Translation*]

REQUEST FOR ELIMINATION OF VIOLENCE IN OUR SOCIETY

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I have the honour to table a petition from residents of Cadillac, stating that films depicting violence on television are dangerous and unacceptable because they encourage further violence.

It says that all toys that are an incentive to violent games are unacceptable and that production of such toys should be banned. Freedom of the press should be restricted when reporting acts of violence. The repeated reporting of acts of violence on all television channels and on radio may encourage similar acts of violence.

Wherefore, your petitioners humbly pray and call upon Parliament to pass legislation dealing with the above, to wipe out violence in our society, protect our children and guarantee everyone in this country a better quality of life.

[*English*]

BILL C-268

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is an honour to present a host of petitions with thousands of names from residents of Nipissing Band No. 10, Sudbury, Hamilton, Blue River, Harrison Lake, Penticton, Lewis Creek, Clearwater, North Bay, Courtenay, Toronto, Kenora, Yellowknife, Charlottetown, Sturgeon Falls, Garden Valley, Sioux Valley, Kingston, Sioux Lookout, Kamloops, Barriere, Mine Centre, Kipawa, Mission, Victoria and Saskatoon.

All of these people support Bill C-268 which is an act respecting a national solidarity day for the First Nations of Canada. The record will show that when the bill was presented, the Progressive Conservatives in the House of Commons did not support it and consequently it was defeated.

• (1520)

BILL C-91

Mr. Ron Fisher (Saskatoon—Dundurn): Mr. Speaker, it is a privilege for me, pursuant to Standing Order 36, to present a petition on behalf of Canadians from Winnipeg, Manitoba and Dundurn, Saskatchewan.

The petitioners urge the government not to proceed with Bill C-91 and to repeal Bill C-22, passed in 1987, so that Canadians will have the full benefit of lower priced generic drugs. In this way, provincial and private drug plans can serve Canadians without being forced to charge higher fees and/or provide less service.

They do this because after 1987 when Bill C-22 was passed, drug prices did increase. Bill C-91 extends the time from 10 years to 20 years for the prohibition of generic drug manufacture in Canada. The drug companies simply do not need 20 years of exclusivity for their drugs.

* * *

POINT OF ORDER

QUESTIONS ON THE ORDER PAPER

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I notice that there is no one from the government side to move the usual motion that the questions stand. Perhaps now someone could respond.

I notice that question No. 406 has been on the Order Paper since September 16. You will know that the 45-day limit has long passed, Mr. Speaker. That question was in regard to the use of government aircraft by the Prime Minister.

Question No. 407 of September 16 was in regard to the number of secure telephones that the Government of Canada has purchased.

Neither of those questions has been answered. In particular, the first one is a very easy one to answer. It is now about 65 days since I asked the question. The government, according to our rules, only has 45 days to answer.

I was wondering, Mr. Speaker, if the parliamentary secretary would be in a position to give us at least a commitment that these questions will be answered before the adjournment at the end of this week.

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, first of all I would like to apologize to you and to the House for being a little tardy in responding to your call. I would beg your indulgence, Sir.

I can get to my friend's question if the House would allow me to revert to responses to Questions on the Order Paper, and then I would be prepared to proceed, if the House would agree.

The Acting Speaker (Mr. DeBlois): We will then resume consideration of Questions on the Order Paper.

* * *

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Jim Edwards (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, the following questions will be answered today: Nos. 410 and 412.

[*Text*]

Question No. 410—**Mr. Barrett:**

Does the Minister of International Trade have a list of "third party support" for the North American free trade agreement and, if so, what are the names of these companies and individuals and what materials, if any, have been sent to them in relation to NAFTA?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): A list of NAFTA "third party" supporters does not exist. However, what does exist is a computer list of public statements on NAFTA and/or trade which have been gathered from the press. Indeed, I myself am included in this list.

The list tabled November 23, 1992 under Question No. 409, assits us in both identifying public information needs and co-ordinating our trade communications. David Helwig, a journalist from St. Thomas, Ontario, writing in the *Toronto Star* (September 19, 1992) stated that: "the computer disk lists 200 letters to newspaper editors and articles judged to be favourable or neutral toward the NAFTA, compared to only 79 negative".

Question No. 412—**Mr. Angus:**

Does the government, under the Department of National Defence, own and operate a vessel called HMCS Protecteur and, if so, (a) has the HMCS Protecteur visited ports of call or travelled through inland waterways west of the Welland Canal (b) what were the dates of any such passage through the Welland Canal (c) what were the problems associated with HMCS Protecteur moving through the Welland Canal system?

Hon. Marcel Masse (Minister of National Defence): The Department of National Defence owns and operates a vessel called HMCS *Protecteur*.

a) HMCS *Protecteur* has not transited through the Welland Canal system and has therefore not visited any ports of call west of the canal.

b) See a).

c) Passage of HMCS *Protecteur* through the Welland Canal system was regarded as a safety risk to both the ship and the locks themselves owing to the very narrow clearances between the vessel and the canal walls.

[*English*]

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

[*Translation*]

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

Some hon. members: Agreed.

[*English*]

Mr. Edwards: I appreciate my friend from Glengarry—Prescott—Russell asking about questions Nos. 406 and 407. I can assure him that the response to question No. 406 is in the final stages of preparation, and that the response to question No. 407 should be ready shortly. I have been chasing this one for my friend and I will give it a little more diligence and see what we can produce for him.

Mr. Boudria: Thank you.

Mr. Duhamel: I believe that my colleague, the parliamentary secretary, will remember that it was almost a year ago that I asked a question that went somewhat as follows: How many dollars in taxes have been collected from the goods and services tax and which amounts, if any, of that have been given toward the deficit and the debt. To my knowledge that has not yet been answered. Apparently I am not in error. About three weeks ago I asked again in this House when this question would be answered. Two weeks ago I asked once again. I gave my colleague one week's rest so that he could be absolutely certain to get me those answers. As he can well appreciate, constituents are really concerned about the goods and services tax money and where it is going.

I wonder if we can get a commitment today that this series of questions will be answered by the end of the week before we recess.

Mr. Edwards: Mr. Speaker, as my hon. friend from St. Boniface well knows, the question has been answered in a different way. Nonetheless, he deserves a response to his questions.

He will recall that on Wednesday last the Minister of Finance confirmed what Canadians all happily know and that is that every net nickel raised by the goods and services tax goes to debt and deficit reduction by law.

However I can tell my friend that his prodding and my inquiries have resulted in this file moving upward and that it is in sight. I think we can promise that there will be something, I hesitate to say a specific day, but very, very soon.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—GOVERNMENT ECONOMIC POLICY

The House resumed consideration of the motion of Ms. Copps (p. 14701).

The Acting Speaker (Mr. DeBlois): After consideration, the Speaker is ready to declare that the amendment moved by the hon. member for Essex—Windsor is in order.

[*Translation*]

Mr. Pierre H. Vincent (Parliamentary Secretary to Deputy Prime Minister and Minister of Finance): Mr. Speaker, I welcome this opportunity today to speak to the motion tabled by the Liberal Party and its spokesperson and to the amendment moved by the NDP.

In a debate like this, I think it is important to consider what the situation was like in the past, what it is like now, and what we would like to see in the future. In this context, we must talk about productivity growth. It is not a new phenomenon, and I think many people in this country are familiar with the word. However, if we look at the statistics, we see that in this country, we need to improve our current level of productivity if we are to progress. As I say this, we are aware, of course, that Canada is recovering from a world recession. Although you may hear the opposition parties say this is a made-in-Canada recession, you and I know perfectly well that is not true. Most countries in the world have experienced or are experiencing economic problems.

If we look at world growth, in 1988 it was 4.3 per cent, while this year, in 1992, it will be about 1 per cent. The United States, Japan, Great Britain, Germany and all other industrialized countries, including Canada, have had a very difficult year as far as the economy and growth are concerned. Furthermore, Canada is now undergoing major industrial restructuring. We all know about the liberalization of trade with the United States, Mexico and the rest of the world. We also know that technical and technological changes are accelerating in this country. We may not come first. We may not lead in that field. Maybe we should step up our efforts.

• (1530)

Our productivity, technological changes, the global recession, all have to be taken into consideration when the Minister of Finance comes up with an economic plan. The opposition takes the plan and throws it in the garbage. It says: "It is no good" without even having looked the whole thing over, as I just said, and without suggesting alternatives either, which is unfortunate.

You know, Mr. Speaker, when you are talking about this or that with your colleagues and you disagree with one of them, you normally say something like: "I do not agree on this or that and I think this is what we should do. I think that the answer is No. 4".

What we are seeing here is the opposition saying: "What the government is suggesting is no good". That is all we have been hearing for three, four days now—I am not sure exactly how long any more. They keep repeating this without offering sound, practical alternatives. We have to be realistic here.

The members opposite talked about a $12 billion road infrastructure project across the country. It might be a fine idea, but it is just not practical in the present Canadian economic context with the debt we inherited from that government in the context of 1980–81. We all know the difficult times we have gone through then. Inflation was 10 per cent. Interest rates were running as high as 22, 23 and 24 percent. They are suggesting we increase the deficit and allow inflation to rise again. Automatically, interest rates will start rising too. Then what? You end up with job creation projects for six or eight months, a year if you are lucky, without the real issues, the problem with productivity, new technologies and the global recession having been dealt with.

That is what we have to work with, the basic factors, and the Minister of Finance has done just that. That is why his economic plan is sound. It is hard to stomach. Not everyone is happy with it. I for one. But this plan is set in a Canadian and global context.

We talk about the current debt exceeding $400 billions, but where does this debt come from? It was $206 billion when we were elected in 1984. Add to that interest on $206 billion since 1984 and you get the amount of the current debt. This means that since 1984, this government has managed to no longer borrow to pay for programs, government operations, government spending, except for debt charges.

As you know, Mr. Speaker, our accumulated operating surplus since the fiscal year 1987–88 is nearly $34 billion, which means that had it not been for the debt charges we have had to pay on the debt we inherited, we would now have a $33 billion surplus in our coffers.

Again, the opposition will argue: "No wonder. You have raised taxes umpteen times since". This government's operating surplus since 1987–88 is due in part to a 30 per cent tax hike and in part to 70 per cent cuts in government spending. We have administered, we have managed this country as well as it could be. There is still room for improvement. There is no doubt in my mind about that. However, we have taken big steps to ensure that on every tax dollar paid to government, not one per cent goes toward the interest on the debt, not one per cent has to be taken to borrow to pay for the day–to–day stuff, the equivalent of groceries for a family. The money which comes in here stays here and pays all the government's expenses and some is left. Unfortunately, the problem is that there is not enough left to pay the huge amount of interest on the immense debt we inherited.

In that context, the finance minister's economic plan is important. In a difficult period of global change, we must have a vision of the future. The Minister of Finance and the Government of Canada must take measures that may seem Draconian but are important in the long run for the well–being of a community and a country called Canada.

Again, I challenge the opposition. Instead of a motion condemning the government, which is easy to do—The motion of the hon. member for Hamilton East has two lines: That the House of Commons condemn the government for its economic policy which is no good. Two lines. Where are the suggestions? Where are the improvements to the system which the opposition could very well suggest and which we would be ready to listen to and work on for the good of Canada? Again, I did say these should be valid, feasible suggestions. Do not ask us to spend more and more; the government has none. Forget about spending projects. We must act and as we said in 1984, we are acting and will continue to act to reduce the deficit. Canada must not end up totally in debt. That is why the measures taken are not easy.

I think that we must honestly see the positive points. In the third quarter, housing sales and starts increased over last year. This is partly due to a measure that the Minister of Finance put in the 1992 budget allowing the use of RRSP money for the purchase of new homes. Domestic demand in Canada and purchases have increased and 77,000 new jobs have been created since April. I am in a good position to tell you and to know that that is not enough in Canada, in the Trois–Rivières region or in Quebec. But when do you hear about the 77,000 jobs created since April? When, in this House, does a member of the opposition rise to congratulate the government for the 77,000 jobs it has created? After all, 77,000 new jobs is better than nothing. But no, when a member rises it is to talk about all those who are unemployed, again without necessarily suggesting solutions, or else to propose solutions that would make the inflation rate go up. We know that if inflation goes up, interest rates will also go up. Consumers, small businesses and large companies will not be able to improve technically, benefit from the new technology and be competitive if interest rates go up to 20 per cent or 22 per cent and inflation is 10 per cent. We know that because we experienced this situation in 1981–82. It simply does not work.

I also want to talk about the famous GST. The GST replaced the federal sales tax which had been in existence for 65 years and which taxed people at a 13.5 per cent rate, unbeknown to them. A 13.5 per cent tax was applied on cars and numerous other items, but nobody knew about it. Everybody was happy; everybody was paying taxes, but nobody knew about it.

• (1540)

This government wanted to implement a taxation system that would be more visible, fair and equitable; it wanted a tax system based on consumption. If you earn $200,000 a year, you consume and pay tax, a tax you see and know. On the other hand, some money is given back to low income people who must also pay the GST but who are financially less secure.

The GST puts Canada on the same level as some 50 other countries in the world. No country in the world has a federal sales tax like we had. Some 50 countries have the GST, which is called the TVA in France. You might say that we should have eliminated the federal sales tax and not replaced it with the GST. I agree. The problem is that we would have had a major shortfall and we would have had to find this money elsewhere, namely by raising income taxes and excise taxes. We would have had to find the money to replace the revenue generated by this federal sales tax which is now the GST. We simply did not have the means to abolish the federal sales tax without replacing it. As an elected politician, I would obviously have preferred to tell the people of Trois-Rivières that we were eliminating the federal sales tax, that we had lots of money and therefore would not have to replace that tax with another one. But given the context that we know, given the financial situation that we inherited, it was impossible.

Thanks to the GST, Canadian exporters have so far saved $3.5 billion. This is not often mentioned, but it is also good news. Since the GST replaced the federal sales tax, which was obsolete and which no longer met the economic and practical needs of our country, our exports have increased by $16 billion. This increase of $16 billion in exports represents roughly 200,000 new jobs. That is not bad news either. In fact, it is good news. That must be said. Before I became a member of Parliament, I was a lawyer in Trois-Rivières and I worked with an accountant who used to say: "No coin is so thin as to have only one side". The GST is the other side of that coin. This is the positive side of that tax. I believe we must emphasize this reality.

All this is part of the economic plan which has been put in place by our government since 1984. Look at the different stages since 1984 and you will see that there is a plan, a philosophy behind this all, and that all the pieces of the puzzle are gradually being put together. Sometimes it is more difficult. We have to look for the right piece, but then we find it. So it is with the economic plan of last week.

The motion of the hon. member is unfortunately yet another action just like those taken by the opposition in the last eight years, namely to condemn the government without once again proposing any fresh ideas. We are open to new ideas, but let us not forget that these ideas must be new, valid and feasible.

Those are my comments on the motion of the opposition, and of course I urge the members of this House to vote against this motion which brings absolutely nothing positive, which makes no suggestion whatsoever, and which leaves us in a state of limbo just like the opposition has been in for the last eight years.

[*English*]

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I listened to the member and I noticed he was looking for congratulations. He said that this side of the House never gives the government congratulations. I think that is not totally accurate. Many times on this side of the House we talked about this particular aspect of the Small Businesses Loans Act. That is a good initiative that the government has put forward. I am disappointed that it has taken nine months to put it through the House because we are all pretty amenable to that particular piece of legislation. It will help many of the million-odd small businesses in the country.

I think it is important that the government communicate that piece of legislation not just to the bankers but also to the small businesses. I think the minister responsible for small business and tourism would concede that in some of his discussions with small businesses in the past few days, many of them had not heard about the piece of legislation the government had designed and amended.

The point I want to make is that quite often on the government side of the House you do not do things perfectly and here is a specific example. It is our responsibility as opposition to speak for the people who are disadvantaged.

I have said that many times before.

You cannot expect us to stand up all the time and pat the government on the back. The fact of the matter is that the GST was a poorly designed tax at a very poor time and one of the things we know for certain now is that it has created a massive underground economy. If we were to just sit over here and not point this out to the government, we would not be living up to our responsibility as Her Majesty's Loyal Opposition.

The same goes for inflation. This government is so possessed by inflation that it forgets that the people who should be congratulated for inflation are not the government, but the 1.5 million and 2 million and many more who are bearing the brunt of the aggressive inflation policy of the government.

I think it is overly fixed on inflation. I think it could let up a little bit.

My question to the member is—and I have tried to be constructive in my tone and specific on one particular area—does he not feel that it is the responsibility of Her Majesty's Loyal Opposition to point out to the government when it sort of makes errors in its economic policy?

[*Translation*]

Mr. Vincent: Mr. Speaker, I want to thank my colleague for his question. I must say that the hon. member is always present and available to ask or answer questions during a debate. I appreciate his question.

The hon. member will allow me to make a brief comment on the Small Businesses Loans Act. In his budget, the minister said that the act would be amended. However, I have to agree with him that the tabling and the passing of this legislation is taking a very long time. I would hope that the minister responsible will speed up the process as much as possible.

When the hon. member says that a lot of small businesses are not aware of these amendments, I can tell him that I mentioned these changes in my parliamentary bulletin and I received many calls in my office from people inquiring about when this legislation would be passed, how to apply, et cetera. I think that it is the duty of all members, regardeless of their party, to keep the people informed of the government's actions. I saw quite a few householders put out by my Conservative colleagues in which they mentioned this particular legislation. But I saw an equally good number of them, not necessarily from members of his own party, but from the opposition, which did not mention these amendments.

• (1550)

There is no doubt in my mind that members, even if they belong to the opposition, must keep their constituents informed of what the government is doing through their householders. They may not agree with what it is doing but I think that, in any case, it is their duty to mention it. Sometimes I think that some of them are remiss in that department.

This creates a problem since there are 130 ridings in Canada which are not represented by government members. Therefore, if in these 130 ridings, constituents do not receive through their householders information regarding what is going on here for all intents and purposes, they are not informed. The government cannot step in a riding and tell people that it is going to inform them and then proceed with giving them a householder different from the one they received from their member. I do not think that this would be appropriate either. We do seem to have a communication problem at this level.

He said that as far as the GST was concerned, it was bad timing and that it was poorly designed. I agree with him on the time chosen to introduce the GST. It is never the right time to introduce a new tax, no matter the date, the day, the hour or the year. Mr. Speaker, neither you nor I like taxes, neither does my colleague or anybody else for that matter. There cannot be a good time to introduce a new tax, I must agree with him.

When he claims that it was poorly designed, I think that it is normal for glitches to happen at the beginning; when you alter a system which is 65 years old, you expect that it will take one year before everything is in place. I think that it is normal in such a context. One has to be realistic.

Mr. Speaker, you are signalling that my time is up, I will therefore conclude with a comment on my colleague's remarks regarding inflation. In my mind it is of paramount importance for a government to deal with the inflation issue since, if it fails to do so, it will have a whole bunch of economic repercussions.

[*English*]

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, I welcome this opportunity to speak today on this motion which really talks about the economic direction of this government.

I must say that I agree with the motion that this House condemn the government's continued adherence to its failed economic policy.

Obviously, this country is facing an economic crisis; 1.6 million Canadians are out of work and there is little indication that this will go down any time in the near future.

In the last year thousands and thousands of businesses have gone bankrupt. Agriculture in this country is in decline and cities and towns that desperately need infrastructure work are literally falling apart.

I think it is fair to say this is all a fair indication of the failed economic plan of this government. We can no longer put the blame on past governments. We have to face the reality of today's.

I know that sitting on this side of the House it is easy to criticize. As a member of the Official Opposition, my role in many ways is to criticize government policy in an attempt to make the government responsible. At the same time I do realize, and many here on this side realize, that we too have to offer constructive criticism, that we have to offer alternatives. I believe that my colleagues on this side of the House throughout this morning and this afternoon have been outlining these positive alternatives for Canada.

To start off, it is really fair to say that the jobs, jobs, jobs strategy of the government has really been a failure and that these jobs have not materialized. If they have materialized they have really been short term jobs and they really have not been able to lead Canadians into futures, into careers that they can feel comfortable with and feel that they can be with for some time.

Unemployment is a staggering 11.3 per cent and close to 19 per cent of Canadian youth are unemployed. I think that we can say with much certainty that the economic policies of this government are not working for Canadian youth. They are not putting them back to work.

The point is that we are in a recession and we all agree that the world is in a recession. This recession has hit Canada harder than any other G-7 country. It has hit us hard when we look at our youth and at our high unemployment rates.

I can safely say that this government policy direction has done nothing to get us out of this recession. I think most hon. members would agree. The government has to admit that our unemployment rates are higher than anywhere else in the G-7, that we have failed Canadians by not putting them back to work.

We know that with the government's economic policy the consumers did not start spending again. We know that people did not start building houses. We know that businesses did not start investing. It is certainly fair to say that industry did not modernize its plants or expand production because of the government's economic policies.

The point is that because of low interest rates there has been no economic growth. We all called for low interest rates, but we also called for other action by this government and the government has refused to take that action. On Wednesday the minister reduced the economic growth that he had suggested only in February would be 4.5 per cent down to 2.5 per cent. Most other analysts predict it will be somewhere around one per cent.

What kind of economic growth is that? The simple fact is that we have to make economic growth and job creation among Canada's top priorities, especially as they relate to our younger people. This next generation sees no hope or no future in this economic plan of the government.

Strangely, we hear from this government that Canada has to be more competitive, more challenging on the international markets and be willing to be more forward looking, better skilled and more educated. The government talks well and it brought out a good study on competitiveness. It talked about a lot of the problems.

It did not give us any solutions. The Minister of Finance in his economic statement has essentially told Canadians that he is not listening to his own study.

I have always said that in order to become more competitive in Canada, we must be committed to new initiatives to promote labour force training, research and development and marketing support. I know members opposite would agree to that. Ultimately our commitment to that has to be unequivocal. We have to be willing to put our resources there, no matter what the problems, and direct what limited resources we have in that direction.

Unfortunately, nothing in the minister's economic statement addresses this area in any meaningful way. What we have are promises to fulfil old promises and to fulfil previous promises. The promises are not being fulfilled. In fact Canadians are not buying it any more. Canadians want action and they want action today.

• (1600)

This government has to give Canadians hope. Wednesday's statement did little to do that. Contrary to what the government thinks, Canadians can be the engine of economic growth. If we want Canadians to start spending again, if we want the private sector to be ready for the challenges of globalization, we have to show them that the government is willing to invest in Canadians and to take this initiative.

We need to kick-start the economy. It is only common sense that we need to get the economy rolling again. This government's paltry commitment to that of some $500 million just does not wash.

One approach to get the economy working again is to implement a comprehensive infrastructure program. We on this side of the House have been calling for this for some time now. Unfortunately the government's proposals in its recent economic statements really are inadequate. Hundreds of towns and cities across this country have infrastructure projects ready to go. The amount of $500 million promised in last Wednesday's mini budget only amounts to about one-quarter of the $2.4 billion taken away from the unemployed in the economic statement. That supposedly will create some 5,000 jobs. With 480,000 young people out of work, big deal.

Recently the Canadian Federation of Municipalities estimated that at least $20 billion must be spent to maintain our existing bridges, highways and sewage treatment plants. Obviously $500 million is not going to go a long way.

To conclude I would like to offer some advice to this government. Fiscal responsibility means more than cutting and slashing. It means more than just the bottom line. In fact this country has had enough pain from this government.

I believe the economic crisis we face today necessitates the government take proactive measures on the economy. I also believe there is a difference between spending and investing. Let us invest in Canadians. This short-term measure can be done discriminately and responsibly by ensuring that every line item of spending is scrutinized.

This government has to concede that its economic policy has not worked and that a new action plan is needed. To provide leadership a government must be willing to do what is best for the people it purports to serve. It cannot be constrained by what it says is its ideology and in this case tired economic theory. We have to get things back on track and we have to get Canadians working again.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I listened to the very thoughtful remarks of my distinguished colleague from the riding of Haldimand—Norfolk. In particular, today he was asking a question of the government on the important issue of unemployment among Canadian youth.

I want to ask my colleague two questions. First, we are living in very difficult economic times for our youth. He has mentioned, very eloquently of course, what the government has failed to do to assist our youth. But another thought comes to mind, the present policies of the Ontario NDP that have increased tuition fees for our youth in our universities and have at the same time cut back on student loans. This is from a party that had promised to abolish tuition fees, if we can believe it.

I want to ask my colleague which he thinks is the worse: this federal Conservative government or the provincial NDP.

Mr. Speller: Mr. Speaker, that has to be one of the toughest questions I have had to answer in the House.

Granted, the country is going through a recession. We have admitted that. We have also admitted that the recession is world-wide. However, there are specific ideas and specific proposals put out by us and by different student groups and groups of unemployed that suggest certain ways in which the hardship of our economic times can be alleviated in certain sectors.

Obviously the provincial NDP has moved in certain areas. I will give it credit for some of the areas it has moved in. It has invested some money in infrastructure in order to put some people back to work immediately. Unfortunately it has failed in the over-all picture of dealing with the problems of university students, students who have no jobs and must spend time in university until there is an opportunity out there for them.

I will give credit to this government in certain areas. Under the youth portfolio it has good programs to keep people in school. I think that is great and we need to invest in that area. I am glad the government has looked at the longer term picture.

Right now, immediately, there are 480,000 people out of work. That cannot be ignored. We cannot say: "We are going to wait for the U.S. economy or the world economy to turn around and these people will eventually get a job. They may lose two, three or four years of their lives because of it, but we all have to take the pain and we all have to take the hardship". That does not wash. There are certain things this government can do today to invest in our young people, to invest in Canadians and to give them something to bridge the hard economic times they are facing today.

To answer my hon. colleague's question, both of them have done a minimal amount to help our young people but both of them sorely lack and have failed to address the main problem of 480,000 young Canadians who are out of work.

Mr. Jim Jordan (Leeds—Grenville): Mr. Speaker, it is a pleasure to speak to the opposition motion today. I will try to put it in the context, as everybody else has done, of the utter disgrace we witnessed last week with the Minister of Finance and something he called an economic statement.

Personally, I was rather looking forward to it. I thought it would be some kind of blueprint and that Canadians could look forward to hearing something positive in it to address the problems they confronted at this time. Once again we saw the government failing Canadians, failing to focus Canada toward something that was positive and something that was renewable, something we could look forward to in the way of sound economic principles. It was totally lacking in what the Minister of Finance had to say.

Instead of taking measures which would instil confidence in Canadians, the government did nothing more than increase the levels of fear and the levels of apprehension in the minds of Canadians. The country is begging for leadership and integrity in leadership. It is not and has not been getting them from those opposite.

We spend a lot of time in the House talking about our internal problems, our social problems, violence in society, homeless people, the needs of the poor, food banks and the ever increasing number of people with a growing dependence on food banks. This is Canada, one of the richest countries in the world. Something is not meshing here. There is a great correlation between those problems we dwell on so often and in such great depth.

• (1610)

Employment opportunities, there seems to be a correlation there. If you increase the one, you will decrease the other. I do not think anyone would argue with that. If that is true, and I think most people would agree that it is, why was unemployment not addressed in the mini budget, the economic statement or whatever it was? It was not addressed in a serious way.

The best context in which you could put this is, I am told, that it costs Canadian taxpayers about $15,000 to keep a full time equivalent person on unemployment for a year. There is $15,000. If the person was working and making the average Canadian wage, he would not need the $15,000 naturally. In turn, he would be putting back into the economy in the way of taxes paid $7,000 or $8,000, depending on the wage scale.

With employment opportunities, Canadians would rediscover themselves. It would put some stability into those families once again, put some stability into our communities once again, make taxpayers out of the unemployed. It would have made sense if our finance minister had seen that correlation between employment or unemployment and the ability to pay taxes.

We are in tough times in Canada right now. I think Canadians were in the mood for a tough time strategy at this time in our history and we did not get it last Wednesday. The government tinkered and fiddled around a little bit with UI benefits when what we needed actually was an attack on the conditions that cause unemployment.

We did not need an attack on those who find themselves unemployed. They have been attacked for long enough. In this country, we need a revamped infrastructure. I am not suggesting that we should put people to work and call it work if it is just busy work. I do not think anyone would want to address the problem that way.

However, if you drive on the major highways in Canada today, you see that they are becoming dilapidated and worn out. Most of them were designed to carry a load for about 20 or 25 years. With little left of them, we are going to be confronted very soon in this country with a major bill for restructuring the major highways of this country.

What was in the finance minister's statement about major highways in Ontario? Absolutely nothing. We need a retrained work force in this country. Canadians will only rediscover themselves when the government shows some vision, when it has given them an opportunity to get back to work. The government had that opportunity last week and once again it disappointed the majority of Canadians.

There is an inscription about 100 metres from here on the west arch of the Peace Tower that reads: "Where there is no vision, the people perish". That is the stage at which we seem to be in Canada right now with a lack of vision on the part of this country.

I think becoming the Prime Minister of this country should never become someone's obsession, where he must become Prime Minister. Forming a government in this country should never become an end in itself, as it seems to be with the current government.

Put that in a more practical way. The signing of the free trade agreement should never have been an end in itself. The signing of the free trade agreement was just the beginning. It should have been followed by a massive restructuring of skills development so that Canadians who wanted to go to work would have had the skills in a much changed world economy which we are supposed to be embracing. I am not condemning the embracing of it, but I am condemning the lack of ability of the government to get on with it.

The Prime Minister said that anyone displaced by the free trade would be retrained. Canada is waiting. A vibrant, zealous work force that was offered meaningful opportunities for Canadians was called for at this time. This tax and spend mind set of the current government has to be replaced by an investment in growth mind set. We have done it before in Canada.

We moved from an agricultural base after the Second World War to an industrial base. That was a massive thing for Canadians to do. The difference was that at that time we had leaders with vision, leaders with integrity, and we are lacking in that department so obviously that we have brought ourselves almost to our knees by that lack of vision which is so apparent today in the benches across the way.

In those years there was excitement. There was a kind of an exuberance and a vibrancy among Canadians. They had confidence in what they were doing. Those ideas were promoted by men and women who had vision and knew where they wanted to carry this country.

I do not think that the needs and the challenges of today are any more than they were in those years. However, the difference is that there is no leadership, no vision from the present government. That is the major difference. It seems to be paralysed and it seems to be fossilized in its present locked-step method. It is either not prepared or it is not capable of giving the required leadership. The government seems to be caught up in its own importance.

Now its total obsession is when would be the most opportune time for it to call an election? Never mind what it would do to Canada. Never mind what a delay would do or what stepping up the date would do. What would be the best position for us to get a fix on for a date that would make sure that we again try to fool Canadians? I do not think that Canadians are going to be fooled this time. They are looking for direction.

This government has done nothing to expand the economy of the country. If you are going to continue to try and draw revenues from a stagnant economy, all you are really doing is digging yourself into a bigger hole and compounding your problems. Promises are no longer valid when they come from the government across the way because it has seen so many of them so quickly vanish, with no attempt whatsoever to see that they were carried through.

In closing, if someone asked me what I would have done, I would have announced grandly that we were cancelling the $4.5 billion helicopter order. Every Canadian from St. John's, Newfoundland to the west coast to the north would have applauded the government and even this government might have retained or regained a little bit of integrity with that step.

There something at play out there. It is called mass hysteria; trying to equip us with 50 helicopters at a time when unemployment rolls are extending more and more. Bread lines are extending more and more.

I see my time has expired.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I would like to thank my colleague for his insightful observations. I am only sorry that he did not get a chance to continue.

We are discussing today the failed economic policies of this government. I wonder if he would like to make some commentary on the following examples. I will quote the examples of this failure.

In 1984, at the end of the fiscal year, I have a signed letter from the then Minister of Finance indicating that the debt was $167.8 billion. It is now in the neighbourhood of $450 billion. The deficit at that time was in excess of $30 billion and it is now as well. There is no improvement there either.

If one looks at the revenues at the end of 1984, they were in the neighbourhood of $70 billion. Now they are roughly $130 billion. Government has almost doubled its revenues and yet on the deficit there has been no real substantial improvement and the debt has deteriorated significantly.

• (1620)

Let us look at the situation. Unemployment is over 1.6 million and roughly half a million of those unemployed are young people. Over two million Canadians are receiving social assistance as we speak now. Over two million Canadians will be fed at food banks this year. Surely there has been no progress in that department.

If one looks at the level of poverty in Canada, we note that people living at the poverty level or below are almost five million. The majority are women, and over one million of those are children.

The government has been downloading as well to colleges, universities, provinces, municipalities. It attempts to suggest to Canadians that it has made some progress, that it has had some success. I wonder if my colleague would care to comment on those examples. Those are examples of failure. Are there other examples that he would like to share with us, and does he want to add some additional commentary?

Mr. Jordan: I want to thank my colleague for the excellent question.

He mentions that we went from roughly a $168 billion deficit to something like $400 billion. That would not be so bad except through all that the standard of living for most Canadians has dropped. You would expect if you were going out and getting that far in debt that you would have surrounded yourself with some luxuries. The statistics will show that just the opposite is happening, which indicates to me that there was no strategy whatsoever. There seemed to be almost a determination that we would go farther in debt and more Canadians would see their dreams, if they are entitled to have dreams anymore, shattered even more.

I think there is no way that it was expressed more clearly than in one of the national dailies. The headline reads: "The Tories may be proud of juggling the numbers, but Canadians see only the wreckage left over". It goes on to say: "Leadership means more than managing the economy competently. It means giving the nation a reason to pull together, a sense of direction, a vision. The Tories have lost their ability to call forth the best in Canadians and the people have lost their will to listen to them".

The last thing I wanted to say with the language of an economist—and they will use this—is when you do not go in the hole quite as far as you thought you would, they call it a surplus. I have seen them do that on another occasion. They plan to put more debt on the Canadian people, and if in any one year they have not gone quite as far in debt as they said they were going to go, they will call it a surplus. I was always rather surprised at that term. It is obviously an attempt to mislead the Canadian people, that is all. That is what this article in the daily suggests, that the Tories are juggling the numbers. That is the numbers game that we are into now. Canadians are not going to buy it.

Mr. Winegard: Mr. Speaker, on a point of order. I just heard the hon. member say that there had been a deliberate attempt by this government to mislead the Canadian people. I wish that remark to be withdrawn.

Mr. Jordan: I was quoting when I said a deliberate attempt to mislead the Canadian people. I will have to check the "blues" on that.

Mr. Winegard: Mr. Speaker, it was very clear. The member was not quoting and I would appreciate it if he would withdraw the remark.

Mr. Jordan: If the member is that sensitive, in spite of the fact that most Canadians would not object to that statement, it really shows you the state that the govern-

ment is in when that comment bothers him to that degree. If he is that sensitive about it, if it makes him feel any better, when most Canadians, particularly those who are unemployed, would agree with me, we will do what we have to do to satisfy the gentleman because he probably will not be sitting in the House too much longer anyway.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I thank the members from both sides of this House for their co-operation.

[*English*]

Mr. Garth Turner (Halton—Peel): Mr. Speaker, it is somewhat difficult to stand in this House and respond to the kind of remarks we just heard because it is difficult to know where to start. The twisting of facts by the hon. member who just spoke is almost incomprehensible.

The situation with the debt and the deficit is concerning. I think we had better take a couple of minutes now just to try and run through it in a factual way so we can perhaps correct some of the misapprehensions, the misstatements of fact that the hon. member who just spoke has put forth in this House.

My constituents in the riding of Halton—Peel have consistently demonstrated to me that they have not only a good understanding of our financial situation as a nation but real and honest concern, bordering sometimes on horror, for the state of the country's finances, particularly with respect to the debt and the deficit we have now.

I may remind the House that I did stand in this House some days ago and make an apology to my constituents because I have been telling them over the last couple of years that this government had certain deficit targets and the government would meet those targets.

We have found out it is going to be impossible for that to happen and I felt duty bound to apologize to them for having told them something was going to happen that did not.

Having said that, I also need to explain to my constituents why and I think this is the most important point. I have tried to use various ways of involving my constituents in this debate about the debt and the deficit and the choices that any government in Canada has to make now at federal and provincial levels to deal with it.

I put out a brochure called *You Be the Finance Minister* in which I listed every single expenditure that the federal government makes and asked people to draft their own budgets and submit them back to me, and thousands did.

I have done a number of surveys in my riding and I have one out right now which basically asks people a number of very detailed economic questions and asks again for the kinds of decisions they would make in terms of running Canada's financing.

I have had approximately 40 townhall meeting in my riding since I have been elected and most of those have dealt with economic issues because those were the questions that came up from the floor.

My correspondence is extremely heavy with letters from people who are concerned about the debt and the deficit, whether the government is taking appropriates actions to deal with it.

There are many points that have been brought up in this debate so far that we should examine. We should try and understand the nature of the problem that Canada faces and I guess what the alternatives are on this side of the House and the other side of the House for dealing with those problems.

As hon. members opposite have mentioned over the last few minutes, Canada is not alone in having a recession today. There are many nations across the western industrialized world finding themselves in similar situations. A number of these countries have also seen their currencies under attack partly because they have been weakened. They are sort of wounded animals in the economic landscape and a lot of speculators, vultures, will come in and try and take advantage of those wounded economies.

We have seen currency speculations trying to destroy the French franc. We have seen currency speculation in terms of some of the Scandinavian countries and we saw it most recently with the Canadian dollar. A global recession breeds weak economies which breed volatile currencies. We know all of those things, they are facts.

The recession has lead to low growth and high unemployment in a lot of countries, Canada included. Part of the reason we have such difficulty right now is our mounting debts. This is what the member who just spoke concentrated on. He tried to pin exclusive blame on the government for the fact that the country's debt has literally doubled in the last eight years, and he is perfectly correct.

He is absolutely correct and I am not going to dispute it for a minute and this is one of the reasons I had to stand in this House and apologize to my constituents. That debt has doubled. It is a matter of fact, it is there, we have to deal with it. At the same time we need to make sure my constituents and all Canadians are informed about how that happened.

• (1630)

In terms of our debt our fiscal position is the second worst among the G-7 countries, among the seven largest western industrialized countries.

On a national accounts basis, our deficit last year was 6.1 per cent of our gross domestic product. That is totally unacceptable.

The figures for Canada's total public debt now add up to 48.5 per cent of our gross domestic product on a national accounts basis. Again, we are second worst among the G-7 countries. Only Italy has a worse record than Canada right now.

I would like to go back and try to understand how we got into this pickle. Why is the country in such a mess? A lot of people do not like it when politicians stand up and blame other politicians, blame history, or blame past governments or governmental actions for the situation we are in today. I tend to agree with them. It is a bit annoying.

I do want to stress that actions taken today have consequences for tomorrow. It is true today, in 1992. It is true for 20 years ago and it is true for 25 years ago. The actions we take in one day have consequences far down the line.

When I was a journalist I covered an economic summit conference of the G-7 countries in Venice. At the time the finance minister of Canada was Allan MacEachen. I remember chatting with him in Venice as a journalist. He had just unveiled a budget which had a very sizeable deficit for those days of $8 billion.

A lot of us in the financial press were scandalized that the Government of Canada had brought in a deficit that was that high. I remember asking MacEachen—this was about 14 years ago—whether he was concerned about the consequences in the future of the deficit in the budget he had brought in that day. The finance minister at the time said: "No. We run deficits as a normal course of events. We subscribe to deficit financing".

Was he right, and did they ever.

During that period of time that I was a journalist I was trying to get the finance minister to explain how Canada was going to be helped by running an operating deficit. In the 15 years before 1984 program spending in this country increased by an average of 14 per cent a year, which was nearly two full percentage points faster than the economy was growing. Spending was growing faster than the economy.

At the same time the tax base had deteriorated because of tax exemptions.

By 1984-85 when this government came into office, when we inherited that $168 billion deficit the members opposite have just been talking about, program spending exceeded revenues by $16 billion a year and the government was spending $1.33 for every dollar it was collecting in tax revenue.

The growth of the government debt had become self-perpetuating by that point. Those deficits that the finance minister told me at the economic summit he was not worried about had suddenly accumulated to the point where the deficit itself was growing cancerously.

The compounding nature of the debt ensured that it would only be harder to deal with in the future. I have just quoted right out of *Investing in Growth*, which is one of the documents tabled last Wednesday by the Minister of Finance.

What the minister was talking about was what the Minister of Finance was not talking to me about 15 years earlier, and that was the magic of compound interest. It is true that the $168 billion debt in 1984-85 has become one of more than $400 billion today.

All of the additional debt that has been added since 1984 has been through compound interest. There has been no new debt added because of any actions taken by this government. Not a cent has been added to the debt by this government adding on to it.

Furthermore, if the government had not run an operating surplus over the last three years the debt would be higher today than it is now.

The members opposite do not want Canadians to know that the actions of the government itself have not added to that debt. In the future, whatever party forms the government is going to run into exactly the same strait-jacket. That is what we all have to understand on all sides of the House. It is not just a Tory problem or a Conservative debt. The government that is formed after the next election, whatever it is, will have exactly the same problems as the government today. There is no magic solution. There is no magic bullet. There is no way that we can snap our fingers and ease the problems.

The interest on the debt this year will require $42 billion in tax revenues to finance, and about one-third of that is leaving the country in interest to foreign bond holders. In other words, we are going to be putting $8 billion, $9 billion or $10 billion into the pockets of German, Japanese and American bond holders. That is about the worst economic policy that we can have because it hurts Canada's sovereignty.

A lot of the other interest is flowing from the pockets of taxpayers. Whether they are old folks, single parents or families they are all contributing tax dollars that will end up flowing into the pockets of investors who bought Government of Canada bonds. I do not see how members opposite can approve of that. We are taking money from people in all social and economic categories and putting it into the pockets of people who are generally better off, the bond holders of Canada. It is not good social policy.

The New Democrats should be on their feet screaming to end the deficit because it is making the rich richer and the poor poorer. That is what it is doing. It has to stop.

This economic situation that the Minister of Finance found himself in last Wednesday was not a happy one. It was an inevitable one. I guess we could have done what Allan MacEachen did when he was Minister of Finance, which is crank up the printing presses more, spend more than the economy is growing, and forget that today's actions have future consequences.

The finance minister of today did not take that course. He did something a lot tougher, something that is going to draw a lot of fire from the opposition, something that is going to be misinterpreted by those who continue to deny reality and do not want to face up to the facts. The finance minister found himself in a situation in which he has to find $42 billion this year to pay interest on the debt.

He found himself trying to craft an economic statement and guide a country in a world that is restructuring in terms of its whole economy. Low wage jobs are flowing to low wage countries. High-tech, high value-added jobs are the ones being sought by our competitors, who are also high value-added, high wage countries like Germany and Japan.

The finance minister found himself in a situation in which competitiveness and productivity are the challenges of today. He did not have to find new ways to turn on the printing presses but ways to be competitive through deregulation, sane taxes, and integrated economic policies so that Canadian companies can compete across the world.

The finance minister stood here and found himself trying to craft a budget at a time when investor confidence and consumer confidence are very weak. One of the reasons is that every day in this House of Commons members opposite stand up and give a tale of woe and doom about the economy. They do everything they can to try to accentuate the negative and they are reinforced by the media. The Official Opposition is doing a lot in this country to grind down the feelings of people about the fact that their country is one of the best in the world, as judged by almost every international agency that looks at us from afar.

As a consequence, the Minister of Finance stands in this Chamber and deals with certain realities: a drastic $8 billion annual drop in revenues because of the recession; an unacceptably high 1.6 million people unemployed that we need to do something for; slow retail sales; this frenzy of negative news that surrounds us; the deficit rising beyond targets; the dollar under pressure because of speculation on a weak currency from a weak economy; and interest rates having to rise to defend that dollar.

Those are the realities, the economic realities, almost all of which the Minister of Finance had no control over. Yet he has to deal with them. What would the opposition do, given the circumstances that I have just described with a global recession and a debt that is cancerously growing by itself? What would the opposition do?

• (1640)

The New Democratic Party is on record as saying what it would do. It would scrap the GST without telling us where and how $15 billion would be found to replace the revenues being lost. It would just scrap the GST and throw it away.

The New Democratic Party says that it would rip up the free trade agreement, the very free trade agreement that has increased our exports with the United States by 10.5 per cent this year alone, that is responsible for $16 billion in additional trade with the United States. Exports right now are the strongest segment of our economy and are dragging this recovery right along. The New Democratic Party would just rip it up, build a new wall around Canada, keep out the prosperity and keep out the wealth.

What would the NDP do? The NDP says: "Well, we will just tax the rich". I think my constituents have a sinking feeling that the NDP are referring to them as rich. Maybe hard-working folks, middle class folks who own their own homes and who work hard to try to put their kids through school are the people the NDP call the rich. I think it would target my constituents.

What else would the NDP do? The NDP would probably try to do what Bob Rae has done in Ontario. Bob Rae is the man who leads a government which in four years will add more debt to the province of Ontario than was accumulated in the 125 years that preceded that four-year period. Bob Rae is the same man who would start making us pay to drive on the roads that we have already paid to have paved. Bob Rae is the man who says he is ready to raise new personal income taxes. About the last thing this economy needs is more taxes. More taxes make us less competitive, but that is what Bob Rae would do. Bob Rae is the man who has just introduced labour law reform in the province of Ontario, which would handicap employers during a strike and drive investment away from the province of Ontario, which scares people who now are maybe going to Ohio, New York, Pennsylvania or other places where there is right to work legislation diametrically opposed to the right to strike legislation in Ontario. This is the same Bob Rae who leads a government that is now being roundly criticized in international markets, who leads a government that investment newsletters in the United States are now making sure they warn Americans away from.

For example, a recent edition of Grant's Newsletter, published in the United States to give some tips to American investors, states: "And what is happening to Hydro's credit"—Ontario Hydro—"and what is happening to the credit of the province of Ontario? Briefly given, the answers are decay and decline respectively". There it is, decay and decline. That is what has happened to Ontario, the engine of Canada's economy, driving 40 per cent of our economic activity. The Americans are being told to stay away, decay and decline has taken over Ontario. That is what we can expect out of the NDP.

How about the Liberals? It is really fortunate, Mr. Speaker, that you have just told me that I have only about one minute left because in that minute I could probably run over the Liberal economic policy 60 times because there is no policy. The only thing we have heard in this chamber is: "Well, Mr. Speaker, we think the Government of Canada ought to spend more, spend, spend, spend".

I just discussed my conversation with the Minister of Finance 14 years ago when I was a journalist. In that conversation that is what he said they were going to do. In 1974 he said: "We are going to spend". He sure made good on that one. Here we are today with a $450 billion deficit, which is a legacy of the government opposite. God help this great country, which is going to get out of this hassle, if they are ever returned to this side because we are in for a lot more pain and no gain. Canadians can see through it and those guys are staying over there.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I know my colleague across used to work for the *Sun* chain of newspapers. I wonder if he agrees with today's editorial. Let me read some of it to you, Mr. Speaker:

> For those of you who are still wondering what Finance Minister Don Mazankowski actually said last week in his economic statement to the House of Commons, we offer you this partial text.
>
> Our most recent economic progress has been. . .blah, blah, blah—slowed by a stubborn world-wide recession—blah, blah, blah—economic restructuring—blah, blah, blah—trade uncertainties, confidence and to rekindle hope—blah, blah, blah—Canada's experience—blah, blah, blah—lasting jobs—blah, blah, blah.

It ends with "You're welcome".

This is from the newspaper that my colleague across was a well respected journalist for some years ago when he interviewed the previous Minister of Finance, as he so eloquently put it to us earlier today. Does he agree with his former employer that all we heard from the Minister of Finance was blah, blah, blah and no substance at all to solve the economic problems of this country? In other words, does he agree that his government is just as inept at solving the problems of our country as Brother Buffalo Bob and Pink Floyd are in the province of Ontario. Mr. Speaker, no disrespect intended here for comrades at Queen's Park because we must always use the proper nomenclature whenever we talk about our socialist friends at Queen's Park as well.

Mr. Turner (Halton—Peel: Mr. Speaker, I did not always agree with all the editorials written in the newspaper for which I did toil from time to time. I think it is interesting that in this Chamber during this economic debate that the members opposite have basically stood up and said: "Blah, blah, blah" in terms of their economic policy which goes something like: "Spend, spend, spend—blah, blah, blah".

The important point for me, and I would like to put this into context because I spoke a few minutes ago about when I was a journalist and when I did interview ministers of finance, is at that time I remember saying consistently and as often as I could that as many times as this Government of Canada ran a deficit, it was creating problems for our children. We have already spent all the way through the kids and we are into the grandchildren. That is how serious the problem with the debt and the deficit has become. The "blah, blah, blah. . .spend, spend spend" policies opposite are exactly the ones that have sown the seed for the harvest we are reaping now.

Hon. William C. Winegard (Minister for Science): Mr. Speaker, the previous speaker to my hon. colleague on this side of the House talked about a government having an obsession with governing.

I would like to ask my colleague who has just spoken whether he could possibly identify a government that for 15 years seemed to have an obsession with governing. It spent and spent and spent and if it seemed to be good, it bought it. I wonder if he could tell me what government that was and if he can remember a single, solitary program in government at that time that was actually cut to save money and thus not get into the $16 billion a year operating deficit that my colleague just spoke about.

Mr. Turner (Halton—Peel): Mr. Speaker, I would like to thank my hon. colleague for the excellent question. I certainly can remember a government that was in office for some 15 years and during that period of time added substantially to the country's debt through a program of spending which I do not think was exceeded in any other time except during wartime in this country. During wars, when we were running up deficits and debts to equip our troops and send brave Canadians off to face adversaries across the seas, was the only time that we exceeded the spending record of the 15 years prior to 1985.

• (1650)

During that period of time, the 15 years before 1985, program spending not including servicing the debt increased every year by 14 per cent, 2 per cent more than the economy was growing. It would not have been quite as bad if we had had spending somewhat consistent with the expansion of the economy, but we did not see that.

On average, for every one of those 15 years, one after the other, there was 14 per cent added on. You can imagine at that period of time the situation that Canada was in. Canada in the 1984–85 fiscal year had $168 billion in accumulated deficits. At that period of time, the interest on those accumulated deficits of $168 billion was onerous, particularly because the Liberal government had allowed interest rates during the last period of that 15-year time span to rise to more than 22 per cent.

I will give another little story from my days as a journalist. In 1981, when mortgage rates were 22.75 per cent, I was not in the Chamber. I was outside. I was there with about 1,000 other Canadians, middle class people, who had travelled from Toronto because their homes were in danger. The Liberal government allowed interest rates on mortgages to hit 22.75 per cent. In fact, the situation was so dire that the banks and trust companies in this country were not even lending five-year money.

The most you could get was a 12-month commitment and these poor middle class home owners were thrown out on these terrible economic policies of run-away spending, run-away deficits and run-away interest rates. It is hard to imagine a more difficult situation to inherit than that. Within that situation, with high interest rates and $168 billion debt, we had the seeds of the problem today.

We have not added to the debt of this country. The Government of Canada today has not added to the debt. The compound interest that was on that debt has been responsible for a situation where $42 billion this year, or almost a third of all the taxes that my constituents pay, is going to service that debt.

Furthermore, my constituents are seeing more than $10 billion this year that is going in interest payments to foreign bond holders. That is a real crime. It is a real crime that my constituents have to cough up that kind of tax money so that it can be flushed away into the pockets of bond holders in other countries. I do not think they are going to stand for that.

They definitely know that the way to get off this treadmill is to cut back on government spending, to live within our means, to get the fundamentals right of low inflation, low interest rates and a low Canadian dollar that allows us to export more and bring more wealth and prosperity into this country.

They are not stupid. They have a lot more sense than the members opposite give them credit for. They see companies in my riding like Husky Injection Molding and Mold-Masters. They are high-tech, high value-added, high wage jobs that are bringing wealth into my riding. They know what is happening. Their friends and neighbours are working for companies that are on the leading edge of today's technology, companies that have not been afraid to invest in the future, just as this government is investing in the future.

The government is getting our debts under control by bringing our spending down, by stimulating investors to create jobs in the private sector, by not creating temporary make-work jobs with my constituents' money. That is the way of the future and I think my constituents will see very clearly that the ideas opposite are bankrupt of common sense. The ideas that will save Canada are on this side of the House.

Mr. Ron Fisher (Saskatoon—Dundurn): Mr. Speaker, it is with great pleasure that I rise today in the House to speak on the supply motion put forth by the Liberals:

> That this House condemn the government's continued adherence to its failed economic policy of trickle-down misery.

Just by way of starting, I guess the best description I have ever heard of the trickle-down theory of economics is certainly what we have been operating under in the last 10 years or so in this country. It is eight years, although it seems like a lot more than that. Of course, in North America and most of the English-speaking world, it is for even longer than that. The best description I have heard of it is that if you feed the horse enough oats, the sparrows will eat. Mr. Speaker, I am here to tell you the sparrows are getting mighty tired of the fare they have been munching on these last number of years, particularly under this Tory government.

The promise when these sparrows—these turkeys—came to power was prosperity. Prosperity was the promise of the day. They sounded so good and so convincing that the Canadian public fell for it and elected them.

Certainly, experience has shown that they have lost their credibility altogether. There is no way that the Canadian public is going to take a chance on these trickle-down economists again. Of course, by the time the election comes around there may be little left of the country for them even to consider.

What happened to the prosperity? There is certainly evidence that it is not there. There are different ways to look at it. Certainly there are good explanations of what has happened. Primarily what has happened is that over the years, even preceding this government, successive Liberal and Conservative governments have simply foregone collecting taxes from those who are well able to pay. Statistics Canada research has shown that the source of the debt is precisely that. Tax breaks to the wealthy plus the very high interest rates leading to the debt which we have is a problem of course. It has also been the doom of any prosperity in this country, except of course for those whom the previous speaker so rightfully condemned, and I agree with him. There is probably no better description in the House of those who clipped the bonds and reaped the interest of this $400

billion debt from which Canada is suffering than to simply call them vultures.

There is evidence that the prosperity certainly is not there and has been going down. In the 1950s the disposable income of Canadians grew by about 34 per cent. In the 1960s it grew by about 22 per cent. In the 1970s it grew by about 22 per cent and in the 1980s, an appalling .5 per cent.

The government wonders why prosperity has not arrived. Canadians know very well it has not arrived. Canadians know that they certainly do not have the disposable income which they had in previous times. As someone who worked through the 1960s and 1970s, I can certainly attest to the demise of disposable income, that income which Canadians spend and consumers spend, which fuels the economy and leads to prosperity within a country.

If consumers do not have the money to spend, the economy is certainly going to suffer. The government has certainly done everything it can to limit that.

I would also like to refer to the vicious provision of the mini budget which was brought down last week whereby those who are fired or quit their jobs are excluded from being able to collect unemployment insurance.

The fact of the matter is that people who find themselves in that position immediately lose their source of income. It is not a matter of a seven to 12 week heist of the ability to collect unemployment insurance anymore. They will not get it until they prove that they quit for cause if they just quit their jobs. There may be any number of reasons why people would quit their jobs and any number of reasons which they would not necessarily want to make public. Much reference has been made to sexual harassment. I can understand why women particularly would not want to make this public and thereby would exclude themselves from the ability to collect unemployment insurance after having removed themselves from an intolerable situation.

• (1700)

The minimum amount of weeks which a person can qualify for is 17. The maximum number of weeks which a person can qualify for is 50. If collecting the maximum, which I believe is $426, in either of those two situations, these provisions mean that without any recourse to protection, without any recourse to due process, those people are potentially facing a fine of $7,242, which in our society is a very sizeable fine for any number of offences, civil or criminal.

In a similar situation at a maximum of 50 weeks where a person may possibly not be able to get a job having left it, because heaven only knows there sure are not many jobs out there to be had, the maximum fine is $21,300. I maintain it has to be looked at as a potential fine which someone could very well have to suffer for having quit their job.

We have corporations in this country that have been charged for polluting our oceans, that have gone through the whole process while being able to defend themselves, and been fined $2,000. However, if you quit your job you could be fined $21,300. You pollute our waters and you are probably not going to have to pay any more than $2,000. I would suggest that that exemplifies the absolute crooked thinking that this government seems bent upon.

It shows a disdain for people which is certainly exemplified in spades in these provisions. People will be excluded from collecting unemployment insurance under those conditions. It is not satisfactory. It is not tolerable in our society that people have to suffer that kind of economic loss without the benefit of due process, without the ability to defend themselves before the fine is paid.

I know of no instances in this country where under the normal process of jurisprudence, if that is the right word, people pay a fine before the system has decided what the fine should be.

I reiterate that this is one of the most vicious provisions that any government in the history of country has ever brought forward and shows the absolute disdain, I would suggest probably even bordering on hate, which this government obviously has for people.

The minister is very quick to mention the numbers of people who quit voluntarily. I would suggest that he ought to be coming up with the numbers of women who quit because they cannot tolerate the situation they find themselves in due to sexual harassment or other forms of harassment within the workplace. He cannot do that because so many of those women will not divulge that kind of information, will not make those kinds of personal situations known and the minister never will be able to find those out, nor will society. I assure you, Mr. Speaker, that that happens over and over again. I would suggest it would be well worth while for the minister to spend more time trying to alleviate that kind of situation than to be so quick coming forward with the number of people who voluntarily quit.

Mr. Speaker, we have our time divided into two parts and I would like to thank you for the time that I have had this afternoon.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I listened to the comments of our colleague. Sometimes in the cut and thrust of debate we use a few words that are either misunderstood or we do not put it quite the way we want to.

I heard him refer to bond holders as vultures and I want to take exception to that. Bond holders are varied. Of course, there are a few very large ones, but the principle applies equally whether buying a Canada Savings Bond as a person who is only slightly involved, or one of the large purveyors of funds for the government. I have before me the *Ontario Economic Outlook* which describes the picture of the provincial economy and how the provincial government is selling bonds to finance its operation. That is a New Democratic Party government.

Is he saying that it is wrong for the people to finance the operation of the government and that the government should be discouraging people from buying its own bonds? If that is what he is saying, is he not asking for higher interest rates?

Perhaps what he stated was not exactly what he wanted to say, at least I trust that that is the case.

Mr. Fisher: Mr. Speaker, I thank the member for asking the question. There certainly has been a misunderstanding. I was quoting the previous speaker on the government side.

Mr. Turner (Halton—Peel): Mr. Speaker, I just heard the member opposite refer to my speech and allege that I used the word vulture to refer to bond holders.

I did not, Mr. Speaker. I used derogatory terms when I talked about currency speculators, people who have attempted to destroy the currency of Canada. I never used the word bond holder and vulture synonymously. The hon. member opposite did and I think he owes this House an explanation.

Mr. Fisher: Mr. Speaker, if I used the term bond holder—and I am not entirely sure that I did—the member for Glengarry—Prescott—Russell is quite right. In the cut and thrust of debate sometimes we do say things. If I referred to bond holders, and I doubt if I did, the "blues" will show it and I certainly do apologize for that.

Certainly I would agree that money speculators are vultures. It distresses me no end that in the economics of the world today, with the swift movement of funds by computer and so on, and the ability of the speculators to really suck the life blood out of many of the economies of the world, and certainly Canada's being among them, to be among the most despicable types of money changers, I guess you would say, on the face of the earth. The word vulture certainly is applicable.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, I would like to make a few remarks on this motion of the Official Opposition in which Tory policies are referred to as trickle down. Of course, they are trickle down. I want to try and make the case of how they have, in effect, a trickle down approach to economics in Canada.

First of all, this government came into office in 1984 with the firm statement and firm belief that the private sector was the engine of the economy.

• (1710)

When you think of the private sector, of course, I think of all the small and medium-sized businesses which employ 80 per cent of the work force in this country but, unfortunately, the Tories do not think that way. When they were talking about the private sector they were talking about big business. The Tories like big business.

For eight years the Tory government has been really an economic constitution of the Canadian corporate welfare state. There are six pillars of Tory hell in this new economic constitution.

How did they go about establishing the trickle down approach? The first thing they did was to nullify the effect of Parliament. In other words they gutted Parliament. They eunuched Parliament.

People are watching. People watched that exercise last Wednesday. They watched the Conservative government in operation. Every time the government uses time allocation and closure to shut down debate, the people of Canada, who may not be in agreement with Tory policies, have no opportunity to use Parliament to buy time for

reconsideration. They have deliberately used time allocation as a method of proceeding.

No wonder people think that Parliament is irrelevant. No wonder they believe and show cynicism about politicians and the use of this place because the Tories have given Parliament a bad name. That is the first thing they did. We have seen lots of examples of that, especially in recent times, of how they just simply drive their plans home and give no opportunity for people to be heard. I do not have to tell you about that. I will deal with some of the specific examples.

What is the first pillar of Tory hell in this new economic constitution? The first thing they did was deregulation. Look at what has happened with deregulation. With deregulations we see the big fish eating all the little fish. We saw examples of that with the airline industry. They were not satisfied that we had a regulated airline industry. Let us deregulate it and this way we will have more airlines coming into market, we will have more competition and we will see prices come down.

I can give members an example. Before the Tories came into office and brought in this deregulation pillar, put this pillar in place, we had three airlines that were flying. Three airlines were flying between Sudbury and Ottawa and prices were pretty competitive.

What happened with deregulation? Today we have one airline flying Sudbury to Ottawa direct and the cost of a return flight from Sudbury to Ottawa is $480. You can fly around the world for that. We have one airline.

After deregulation there was a proliferation of airlines for a short while until all the big piranhas just went around and gobbled up all the little mullets; just ate them up. Today we have an airline industry that is in total chaos. Some large American airline will just come in and provide the competition and control the whole operation. I would not be at all surprised if it ends up with one big airline operating in Canada. I will predict that it happens.

That is part of the trickle down. The hope is that wealth created by that one is going to trickle down and somehow get to the people at the bottom. It means less employment. It means less economic investment. It means less service. That is coming. That is part of it.

They did the same thing with banks. They did the same thing with financial institutions. At that time I predicted that one morning we would wake up, open our eyes and there would be one superbank.

All the big banks are going to eat up all the little banks. If we look around today we will see it. It happened with the brokerage industry. Now it is happening with the trust industry. Toronto–Dominion just got Central Guaranty Trust. Watch what is on the horizon. That is part of deregulation.

We had an example of it in the past three weeks with Bill C–91. We have had compulsory licensing for drugs in this country since 1969. From the evidence presented that has allowed the competition between drug manufacturers and the copycats.

What have they done? To whom are they kowtowing? They are kowtowing to large multinational drug companies. Now they are going to increase the protection of patents from 10 years to 20 years.

Dr. Schondelmeyer gave evidence before the committee the other day—and I happened to be in the committee—that over the next 15 years it is going to cost Canadians $7 billion. For that $7 billion we are going to get $500 million of research and development. It will be mostly clinical development, not basic research.

Who is benefiting from that? Certainly not ordinary Canadians. It is the trickle down theory at work again. If we keep feeding the lion then hopefully there will be something out of the other end of the lion to feed on. That might work fine for lions. It keeps lions healthy but it sure does nothing for sparrows. They have to eat an awful lot of that stuff and it is not even healthy for them. That is the same way it is working with us.

I have referred to the way in which this government introduced Bill C–91 without giving Canadians an opportunity to be heard. The opposition, in its attempts to put a brake on the speed which which this government was moving, found themselves against the Juggernauts of the Tory majority.

That is not the way Parliament should work. The hon. member from Peel spoke earlier. He is always an admirer of a system that is democratic in process. What is so democratic about that? First it did not want to allow witnesses and we had to force witnesses on to this government. Then it limited the witnesses. All the witnesses were heard within one week. Then majority rules. That is part of the column. That is part of the six pillars. That is part of it.

The second pillar is privatization. No more is there any faith in those enterprises that Canadians built with their own initiative and with their taxes. The industries they built were all sold off. All of those will end up either off the books or in some large corporation's belly.

The third pillar was the attack on universality, the entrenching of selfishness. The recent UI change—

The Acting Speaker (Mr. Paproski): Order, please. It is time for the five-minute question or comment period.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I have heard the remarks of my colleague and want to use this occasion to ask him a question about fairness in government policy.

• (1720)

A little earlier this afternoon I had to absent myself from the Chamber, having received a phone call from a constituent in distress. This woman living in my constituency phoned me. She is the mother of two children, unemployed and the sole support. She makes from a combination of mother's allowance and the child benefit, baby bonus for lack of a better name, something like $17,900 a year. She was telling me today that she had not received the advance child tax credit this year because she makes "too much money". I verified this with Revenue Canada and in fact that is true, not that she makes too much money but that is in fact the correct interpretation. Apparently someone who makes more than $17,200 a year as a sole support mother with two children, someone who receives straight mother's allowance, in other words someone on social assistance, is apparently too rich to get this government benefit.

Would my colleague not agree with me that this has to be the height of unfairness, that nothing could possibly be worse than to tantalize someone on social assistance by telling them that there is a program for them, only then to tell the poorest of the poor that they are too rich to receive the program which apparently was designed for them to start with?

Mr. Rodriguez: Mr. Speaker, I thank my colleague for the question. That is the fourth pillar of Tory hell: the question of taxation.

Notice how very tough the Tories are on the poor: the member's constituent is making too much money, but lo and behold she does not have a box at the SkyDome for which she is paying rent and which she can write-off on her income tax. She does not have, I will bet dollars to doughnuts, a three-martini lunch. I am sure she does not have an overseas shell operation of her corporation where she can avoid paying taxes in Canada. I am sure she has not set up a trust under the 1971 trust protection fund whereby she can protect all the profits she has made in a trust for future generations of her family. I am sure she does not have all that. If she were very wealthy then she would be the friend of the Tories and therefore she would be protected. However she is poor so she has this trickle down approach. Hopefully if they can feed the lion up at the top then some of this might trickle down to her.

In the meantime, all the forces of Revenue Canada make an interpretation of things like she makes too much money, just cause and all other things that are applied to the poor.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, when I heard my colleague from the New Democratic Party talk about the SkyDome boxes, I could not resist the opportunity to put in a pitch for all of us from Toronto who are opposed to the NDP selling off the stadium at a price that is really about one-fifth of its value.

By the way I share his view on the SkyDome boxes. I understand where he is coming from there, but the SkyDome itself is a tourism instrument. We use it for trade shows. People come into our city from not just from the Toronto area but from Buffalo and all over the United States. Right now they go into restaurants and hotels and there is lots of spin-off business. This can all be quantified.

The danger that we see in privatization is that all of a sudden we are going to go from a $5 Coca-Cola to a $10 Coca-Cola because the people who are going to end up taking over this SkyDome are going to be more interested in getting their money out right away. I was wondering if the NDP would use its influence to slow that process down a bit.

Mr. Rodriguez: Mr. Speaker, I want to say briefly that the previous Peterson and Davis governments worked out one of the worst business deals for the taxpayers of Ontario. It is costing those taxpayers $63,000 a day. Of course Floyd Laughren had to jettison something that was disadvantageous to the public of Ontario.

I also want to point out that my friend from Peel asks the House: "Where are going to get the money?" Why do we not go to that trust fund? There is $70 billion to $75 billion sitting in the trust fund and not one penny of tax is paid on it. Yet the Tories are going to bring in a bill to protect them for a further 20 years.

When are we going to get the best benefit for the taxpayers of this country? When are the rich going to start paying their fair share of taxes? Let us see the Tories actually stop this trickle down approach to economics in Canada.

[*Translation*]

Mr. Clement Couture (Saint-Jean): Mr. Speaker, the Minister of Finance has delivered his financial and economic statement and now the members have the opportunity to make their point of view known regarding the future orientation of our country. I for one do appreciate such an opportunity.

One of the issues brought up by the minister in his statement is how important trade is for Canada. Let me take a few moments to demonstrate how important it is not only in Canada but elsewhere too.

Very often we hear how important international trade is. It is very important indeed. For Canada, it is vital. But interprovincial trade is just as important.

Since each of our provinces produces different goods, our standard of living depends just as much on the dynamism of exchanges among regions as it does on exchanges between Canada and other countries.

Interprovincial trade allows local producers to have access to a much bigger market than their own province, just as international trade gives them access to world markets. This is particularly important for the smaller provinces. These bigger markets allow for economies of scale making businesses more efficient in their production.

Except in Newfoundland and British-Columbia, where inter-Canadian trade is a lot less important than in other provinces, about 40 per cent of all goods exported by provinces go to other provinces. Quebec, New Brunswick, Prince Edward Island and Manitoba export at least as much to other provinces as they do abroad.

However, external trade is not as free as it should be. There might be strong economic links among provinces but there are also adverse provincial trade barriers which translate into higher prices for consumers and reduced competitiveness for our businesses.

Let me give a few examples. Let us start with beer. The preferred treatment granted local producers by provincial boards controlling beer distribution as well as other measures have fragmented the beer industry in Canada.

In the area of procurement, preferred treatment and local content requirements demanded by provincial government agencies and administrations for their purchases have lowered competition.

Most of us know that the price setting and distribution policies followed by provincially regulated marketing boards might distort interprovincial trade.

In yet another area, that of health regulations and standards, differences among provinces might prevent businesses from developing national marketing strategies in the food processing industry and in the drug manufacturing sector.

In his statement, the Minister of Finance stressed the importance of strengthening growth partnerships between the private sector and provincial governments. Let me quote him:

• (1730)

> The time has come for comprehensive and concrete measures to reduce trade barriers between provinces by agreeing on a set agenda and time schedule. The federal government urged provinces to eliminate all internal trade barriers by 1995. Canadian agriculture ministers have taken encouraging steps in that direction. More progress in a whole range of areas can only reinforce our competitiveness at home and abroad.

Freer trade is important for the future of Canada. Freer domestic trade would certainly enhance our ability to attract investment in Canada and create jobs.

If it is in no way justified to let the United States become the only country with a free access to both the Canadian and the Mexican markets, which is one of our arguments for NAFTA, is there a single reason to give the American producers easier access to our whole Canadian market than to the Canadian producers? Surely the answer should be no.

The finance minister specified that the federal government was committed to reducing barriers to internal trade and will co-operate with the provinces towards this goal. In his statement, he reiterated the determination of his government to free the commercial markets.

Since the Second World War, Canada constantly strived for freer international trade. We did so through the General Agreement on Trade and Tariffs and free trade agreements with our regional partners.

Thanks to successive GATT negotiation rounds, tariffs levied on our imports have been reduced and our access to export markets has been enhanced. The minister confirmed in his statement that this government will continue to work for a positive conclusion to the Uruguay round negotiations.

The free trade agreement is a concrete example of a regional trade agreement, and I dare say it is a success. Our exports in the United States increased dramatically and the free trade agreement spurred growth in foreign investment.

NAFTA is another component of our free trade policy. The minister has confirmed the fact that we are working to finalize that deal.

Let me say a few words on this subject. Canada is already competing with Mexico on the American market. In 1990, we exported goods and services worth $123 billion to the United States, whereas Mexico's exports to the U.S. totalled $45 billion.

Among other benefits, NAFTA will allow Canada to face increasingly strong competition from Mexico on the American market, which is crucial to our businesses. Without NAFTA, Canada would be faced with the possibility of uneven competition in the United States. With NAFTA, the three participating countries will be able to compete within the same basic framework.

An economic evaluation of NAFTA by the Department of Finance shows that the deal will also put us in a better position to increase Canadian exports to Mexico, which will further stimulate our economy.

The benefits of NAFTA for Canada will be modest at first because bilateral trade between the two countries is only about $3 billion a year, compared to some $236 billion between Canada and the United States, but they should increase with time.

NAFTA will not make Mexican businesses a lot more competitive in Canada since our customs duties are already low. However, Mexican customs duties on Canadian imports are approximately three times higher, so the reduction of duties brought about by NAFTA will open new doors to Canadian businesses.

Canada will be in a better position to compete with Mexico with NAFTA than without. The Department of Finance's assessment shows that while labour costs in Mexico are one seventh of what they are in Canada, Canadian workers' productivity is 6.5 times higher than that of their Mexican counterparts. Capital costs are lower in Canada while the productivity of capital is higher, thus giving Canada a competitive edge in the production high value-added goods by capital-intensive industries. Canada should also profit by the enormous Mexican needs for imported capital equipment. Our country actually has a comparative advantage in that area.

Further trade liberalization through NAFTA will see Canada's competitiveness improve and strengthen the economic and employment growth.

I would like to raise another sensitive issue concerning international trade. Even the Goods and Services Tax is having a major positive impact on trade. Contrary to what the critics opposite may say, the GST did promote competitiveness by replacing a tax that favoured imports over goods made in Canada. Therefore, Canadian products are not at a disadvantage compared to the competition on the domestic market. In addition, the GST improves our producers' competitiveness because they pay less tax on the inputs used to produce export goods. According to the Canadian Exporters' Association, the GST has reduced hidden import taxes from 3.4 to 1.8 per cent and what is left of it is due to provincial and municipal taxes, not federal taxes.

Mr. Speaker, if I may raise one last controversial issue concerning trade. Even the Goods and Services Tax generates substantial trade benefits.

Mr. Boudria: That is why it is so popular.

Mr. Couture: Those who live in glass houses should not throw stones.

Contrary to what our critics opposite would like us to believe, the GST did generate substantial trade benefits. The GST has replaced a tax that favoured imports at the expense of domestic goods. It ensures that Canadian products are not at a disadvantage on the domestic market. In addition, the GST helps us compete by lowering the tax on export good producers inputs. According to the Canadian Exporters' Association, the GST has reduced hidden import taxes from 3.4 to 1.8 per cent.

To ensure the economic future of our children and grandchildren, personally I want Canada to enter the 21st century as a fully competitive and productive nation. Our trade policies will promote this. Therefore, I urge all members of this House to support this initiative.

[*English*]

Mr. Jim Jordan (Leeds—Grenville): Mr. Speaker, I am sure Canadians who have watched this debate this afternoon are going to be fascinated to find out just how empty this government is when it comes to trying to address the current problems of the unemployed and the poor.

All we hear is the government recalling the previous government. It was the previous government. It is going into its ninth year. Canadians are not going to buy that. The government did not start this year or the previous year. It is going into its ninth year and seems to be as void now of vision as it was then.

I think Canadians are going to realize that. My question is to my colleague who just spoke. Could I get his personal view, or perhaps he would like to speak for his party, on where he is going to find the $4.5 billion to buy 50 naval helicopters. Count them. Not 5,000, not 500, but 50 helicopters. Does he not think there are better uses to which that $4.5 billion could be put at this time when so many people in this country are so desperate for help.

• (1740)

Does he not think it wise for the government to announce it has cancelled that order, or is it waiting until the eve of the next election. At that point I think it would be too late to announce it was cancelling the order and give the impression at least that it has the concerns of Canadians at heart.

Mr. Couture: Mr. Speaker, my speech has really been put in terms of the actions of our government to reduce and eliminate completely the commercial barriers between the provinces.

The hon. member refers to our armed forces. Definitely they need a certain amount of equipment. It is imperative. If we want to have an armed force which is acceptably equipped, we must spend a certain amount of money to do so.

What is probably most important of all is to make sure that prosperity in Canada will permit our government to provide all the services and equipment that might be requested by our country. To do so we have put forward many good initiatives that are providing the prosperity we are looking for.

First, we have been talking about the elimination of the commercial barriers inside Canada. Second, I was talking about the GST which has provided much better capabilities for the Canadian government and manufacturers to export their product. I feel that all this justifies by and large the actions taken by the government.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I want to make sure I heard the hon. member correctly. Did I hear him praise the GST a few minutes ago? Is that possible? My colleagues and I have consulted each other about whether it was possible for someone to speak highly of the GST and say that this tax is good for us, Mr. Speaker. Can you imagine that?

I told myself that this was impossible; I must have misunderstood. It is impossible for someone to say that, namely a backbencher who, no doubt, must have had to hear the not so positive comments of his constituents

when he supported the GST. Is it possible that the hon. member would have talked highly of this abominable tax?

We will give him the opportunity to redeem himself with his constituents by elaborating on this.

Mr. Couture: Mr. Speaker, it is with great pleasure that I will answer the hon. member's question.

In Canada we had a federal tax that applied to manufacturers. Many recommendations were made to the Liberal government of the time to eliminate this tax because it was very detrimental to Canadian manufacturers. This tax was imposed on exports. The Liberal government of the time never understood that this tax was negative and hidden and could not in any way help the Canadian government improve the situation. This tax had 22,000 exemptions. The government bureaucracy was managing the revenue shortfall.

If the hon. member will listen, I will explain to him why I am so enthusiastic about the GST. We replaced this obsolete federal sales tax with a modern tax which is naturally a consumption tax, a visible tax. This 7 per cent consumption tax replaced a 13.5 per cent tax.

All these things justify and confirm why, once Canadians reasonably understood it, the GST will become the tax *par excellence* in Canada.

Mr. Boudria: Mr. Speaker, I have another question for my colleague on the other side who likes the GST and similar measures so much.

Was most of the electorate in favour of the GST? I must say that at least the constituents of Glengarry—Prescott—Russell were opposed to it. Could the member give us more details on his constituents' opinion on—

The Acting Speaker (Mr. DeBlois): I am sorry, but I must interrupt the hon. member.

It being 5.45 p.m., pursuant to Standing Order 81(15), it is my duty to interrupt the proceedings and to put forthwith all questions necessary to dispose of the supply proceedings now before the House.

The first vote will be on Mr. Langdon's amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Call in the members.

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

(*Division No. 356*)

YEAS

Members

Allmand	Anawak
Angus	Assad
Axworthy (Winnipeg South Centre)	Bélair
Bellemare	Blackburn (Brant)
Blaikie	Boudria
Brewin	Butland
Caccia	Catterall
Copps	Crawford
de Jong	Dingwall
Dionne	Duceppe
Duhamel	Ferguson
Finestone	Fisher
Flis	Fontana
Foster	Gagliano
Gauthier	Gérin
Gray (Windsor West)	Grey (Beaver River)
Guarnieri	Harb
Harvard	Hovdebo
Hunter	Jordan
Karpoff	Keyes
Kilger (Stormont—Dundas)	Kilgour (Edmonton Southeast)
Kindy	Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)	Laporte
Lee	MacAulay
MacLellan	Maheu
Manley	Marleau
Martin (Lasalle—Émard)	McLaughlin
Mifflin	Milliken
Mills	Mitchell
Murphy	Nault
Nunziata	Nystrom
Ouellet	Pagtakhan
Parker	Phinney
Plamondon	Proud

Prud'homme	Riis
Rodriguez	Rompkey
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Speller	Stewart
Taylor	Tobin
Vanclief	Venne
Walker	Whittaker
Wood	Young (Beaches—Woodbine)—84

NAYS

Members

Anderson	Andre
Atkinson	Attewell
Beatty	Bertrand
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Bourgault
Brightwell	Browes
Cadieux	Campbell (Vancouver Centre)
Champagne (Champlain)	Charest
Clark (Yellowhead)	Clark (Brandon—Souris)
Cole	Collins
Cook	Cooper
Corbeil	Côté
Couture	Darling
Della Noce	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Edwards
Epp	Fee
Ferland	Fontaine
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Guilbault	Gustafson
Halliday	Hawkes
Hicks	Hockin
Holtmann	Horner
Hudon	Hughes
Jacques	James
Jelinek	Johnson
Joncas	Jourdenais
Kempling	Koury
Langlois	Larrivée
Layton	Littlechild
Loiselle	Lopez
MacDonald (Rosedale)	MacDougall (Timiskaming)
Malone	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	McKnight
Monteith	Moore
Nicholson	Oberle
O'Kurley	Paproski
Porter	Pronovost
Redway	Reid
Reimer	Ricard
Richardson	Robitaille
Roy-Arcelin	Saint-Julien
Schneider	Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)	Siddon
Soetens	Sparrow
Stevenson	Tardif
Tétreault	Thacker
Thompson	Thorkelson
Turner (Halton—Peel)	Valcourt
Vien	Vincent
Wenman	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Winegard
Worthy—116	

PAIRED—MEMBERS

nil/aucun

The Acting Speaker (Mr. DeBlois): I declare the amendment lost.

The next vote is on the main motion.

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

(Division No. 357)

YEAS

Members

Allmand	Anawak
Angus	Assad
Axworthy (Winnipeg South Centre)	Bélair
Bellemare	Blackburn (Brant)
Blaikie	Boudria
Brewin	Butland
Caccia	Catterall
Copps	Crawford
de Jong	Dingwall
Dionne	Duceppe
Duhamel	Ferguson
Finestone	Fisher
Flis	Fontana
Foster	Gagliano
Gauthier	Gérin
Gray (Windsor West)	Grey (Beaver River)
Guarnieri	Harb
Harvard	Hovdebo
Hunter	Jordan
Karpoff	Keyes
Kilger (Stormont—Dundas)	Kilgour (Edmonton Southeast)
Kindy	Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)	Laporte
Lee	MacAulay
MacLellan	Maheu
Manley	Marleau
Martin (Lasalle—Émard)	McLaughlin
Mifflin	Milliken
Mills	Mitchell
Murphy	Nault
Nunziata	Nystrom
Ouellet	Pagtakhan
Parker	Phinney
Plamondon	Proud
Prud'homme	Riis
Rodriguez	Rompkey
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Speller	Stewart
Taylor	Tobin
Vanclief	Venne
Walker	Whittaker
Wood	Young (Beaches—Woodbine)—84

NAYS

Members

Anderson	Andre
Atkinson	Attewell
Beatty	Bertrand
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Bourgault
Brightwell	Browes
Cadieux	Campbell (Vancouver Centre)
Champagne (Champlain)	Charest
Clark (Yellowhead)	Clark (Brandon—Souris)
Cole	Cook
Cooper	Corbeil
Côté	Couture
Darling	Della Noce
Desjardins	Dick

Dobbie
Dorin
Edwards
Fee
Fontaine
Gibeau
Greene
Gustafson
Hawkes
Hockin
Horner
Hughes
James
Johnson
Jourdenais
Koury
Larrivée
Littlechild
Lopez
MacDougall (Timiskaming)
Marin
Mazankowski
McDermid
McKnight
Moore
Oberle
Paproski
Pronovost
Reid
Ricard
Robitaille
Saint-Julien
Scott (Victoria—Haliburton)
Siddon
Sparrow
Tardif
Thacker
Thorkelson
Valcourt
Vincent
Wilbee
Wilson (Etobicoke Centre)
Winegard

Domm
Duplessis
Epp
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hicks
Holtmann
Hudon
Jacques
Jelinek
Joncas
Kempling
Langlois
Layton
Loiselle
MacDonald (Rosedale)
Malone
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Monteith
Nicholson
O'Kurley
Porter
Redway
Reimer
Richardson
Roy-Arcelin
Schneider
Scott (Hamilton—Wentworth)
Soetens
Stevenson
Tétreault
Thompson
Turner (Halton—Peel)
Vien
Wenman
Wilson (Swift Current—Maple Creek—Assiniboia)
Worthy—115

PAIRED—MEMBERS

nil/aucun

• (1820)

[*English*]

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

[*Translation*]

SUPPLEMENTARY ESTIMATES (A)

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)) moved that the Supplementary Estimates (A) for the fiscal year ending March 31, 1993, laid upon the Table on Tuesday, November 24, 1992, be concurred in.

[*English*]

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

Mr. Hawkes: Mr. Speaker, on a point of order there have been discussions and I think the vote just taken could be applied in reverse to Supplementary Estimates (A).

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

Some hon. members: Agreed.

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

(Division No. 358)

YEAS

Members

Anderson
Atkinson
Beatty
Bjornson
Blais
Bosley
Brightwell
Cadieux
Champagne (Champlain)
Clark (Yellowhead)
Cole
Cooper
Côté
Darling
Desjardins
Dobbie
Dorin
Edwards
Fee
Fontaine
Gibeau
Greene
Gustafson
Hawkes
Hockin
Horner
Hughes
James
Johnson
Jourdenais
Koury
Larrivée
Littlechild
Lopez
MacDougall (Timiskaming)
Marin
Mazankowski
McDermid
McKnight
Moore
Oberle
Paproski
Pronovost
Reid
Ricard
Robitaille
Saint-Julien
Scott (Victoria—Haliburton)
Siddon
Sparrow
Tardif
Thacker
Thorkelson
Valcourt
Vincent
Wilbee
Wilson (Etobicoke Centre)
Winegard

Andre
Attewell
Bertrand
Blackburn (Jonquière)
Blenkarn
Bourgault
Browes
Campbell (Vancouver Centre)
Charest
Clark (Brandon—Souris)
Cook
Corbeil
Couture
Della Noce
Dick
Domm
Duplessis
Epp
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hicks
Holtmann
Hudon
Jacques
Jelinek
Joncas
Kempling
Langlois
Layton
Loiselle
MacDonald (Rosedale)
Malone
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Monteith
Nicholson
O'Kurley
Porter
Redway
Reimer
Richardson
Roy-Arcelin
Schneider
Scott (Hamilton—Wentworth)
Soetens
Stevenson
Tétreault
Thompson
Turner (Halton—Peel)
Vien
Wenman
Wilson (Swift Current—Maple Creek—Assiniboia)
Worthy—115

NAYS

Members

Allmand	Anawak
Angus	Assad
Axworthy (Winnipeg South Centre)	Bélair
Bellemare	Blackburn (Brant)
Blaikie	Boudria
Brewin	Butland
Caccia	Catterall
Copps	Crawford
de Jong	Dingwall
Dionne	Duceppe
Duhamel	Ferguson
Finestone	Fisher
Flis	Fontana
Foster	Gagliano
Gauthier	Gérin
Gray (Windsor West)	Grey (Beaver River)
Guarnieri	Harb
Harvard	Hovdebo
Hunter	Jordan
Karpoff	Keyes
Kilger (Stormont—Dundas)	Kilgour (Edmonton Southeast)
Kindy	Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)	Laporte
Lee	MacAulay
MacLellan	Maheu
Manley	Marleau
Martin (Lasalle—Émard)	McLaughlin
Mifflin	Milliken
Mills	Mitchell
Murphy	Nault
Nunziata	Nystrom
Ouellet	Pagtakhan
Parker	Phinney
Plamondon	Proud
Prud'homme	Riis
Rodriguez	Rompkey
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Speller	Stewart
Taylor	Tobin
Vanclief	Venne
Walker	Whittaker
Wood	Young (Beaches—Woodbine)—84

PAIRED—MEMBERS

nil/aucun

The Acting Speaker (Mr. DeBlois): I declare the motion carried.

[*Translation*]

SUPPLEMENTARY ESTIMATES (B)

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)) moved that Supplementary Estimates (B) for the fiscal year ending March 31, 1993, laid upon the Table on Tuesday, November 24, 1992, be concurred in.

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

[*English*]

Mr. Hawkes: Mr. Speaker, on a point of order there have similarly been discussions and I think you might find unanimous consent for the vote to be applied to this motion.

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

Some hon. members: Agreed.

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

(*Division No. 359*)

YEAS

Members

Anderson	Andre
Atkinson	Attewell
Beatty	Bertrand
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Bourgault
Brightwell	Browes
Cadieux	Campbell (Vancouver Centre)
Champagne (Champlain)	Charest
Clark (Yellowhead)	Clark (Brandon—Souris)
Cole	Cook
Cooper	Corbeil
Côté	Couture
Darling	Della Noce
Desjardins	Dick
Dobbie	Domm
Dorin	Duplessis
Edwards	Epp
Fee	Ferland
Fontaine	Friesen
Gibeau	Gray (Bonaventure—Îles-de-la-Madeleine)
Greene	Guilbault
Gustafson	Halliday
Hawkes	Hicks
Hockin	Holtmann
Horner	Hudon
Hughes	Jacques
James	Jelinek
Johnson	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	MacDonald (Rosedale)
MacDougall (Timiskaming)	Malone
Marin	Martin (Lincoln)
Mazankowski	McCreath
McDermid	McDougall (St. Paul's)
McKnight	Monteith
Moore	Nicholson
Oberle	O'Kurley
Paproski	Porter
Pronovost	Redway
Reid	Reimer
Ricard	Richardson
Robitaille	Roy-Arcelin
Saint-Julien	Schneider
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Soetens
Sparrow	Stevenson
Tardif	Tétreault
Thacker	Thompson
Thorkelson	Turner (Halton—Peel)
Valcourt	Vien
Vincent	Wenman
Wilbee	

Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre) Winegard
Worthy—115

NAYS

Members

Allmand	Anawak
Angus	Assad
Axworthy (Winnipeg South Centre)	Bélair
Bellemare	Blackburn (Brant)
Blaikie	Boudria
Brewin	Butland
Caccia	Catterall
Copps	Crawford
de Jong	Dingwall
Dionne	Duceppe
Duhamel	Ferguson
Finestone	Fisher
Flis	Fontana
Foster	Gagliano
Gauthier	Gérin
Gray (Windsor West)	Grey (Beaver River)
Guarnieri	Harb
Harvard	Hovdebo
Hunter	Jordan
Karpoff	Keyes
Kilger (Stormont—Dundas)	Kilgour (Edmonton Southeast)
Kindy	Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)	Laporte
Lee	MacAulay
MacLellan	Maheu
Manley	Marleau
Martin (Lasalle—Émard)	McLaughlin
Mifflin	Milliken
Mills	Mitchell
Murphy	Nault
Nunziata	Nystrom
Ouellet	Pagtakhan
Parker	Phinney
Plamondon	Proud
Prud'homme	Riis
Rodriguez	Rompkey
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Speller	Stewart
Taylor	Tobin
Vanclief	Venne
Walker	Whittaker
Wood	Young (Beaches—Woodbine)—84

PAIRED—MEMBERS

nil/aucun

The Acting Speaker (Mr. DeBlois): I declare the motion carried.

[*Translation*]

Mr. Loiselle moved that Bill C-100 entitled an act for granting to Her Majesty certain sums of money for the Public Service of Canada for the financial year ending March 31, 1993, be read a first time.

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 69(1), the motion is deemed to be adopted.

Motion agreed to and bill read the first time.

Mr. Loiselle moved that the bill be now read the second time and referred to Committee of the Whole.

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

Some hon. members: Agreed.

Some hon. members: On division.

Motion agreed to, bill read the second time and the House went in committee thereon, Mr. DeBlois in the chair.

The Assistant Deputy Speaker: Pursuant to Standing Order 100, I do now leave the chair for the House to go into Committee of the Whole.

House in Committee of the Whole on Bill C-100, an Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1993—Mr. Loiselle—Mr. DeBlois in the chair.

[*English*]

Clauses 2 and 3 agreed to.

The Assistant Deputy Chairman: Shall Clause 4 carry?

Some hon. members: On division.

Clause 4 agreed to.

The Assistant Deputy Chairman: Shall Clause 5 carry?

Some hon. members: On division.

Clause 5 agreed to.

Clause 6 agreed to.

Mr. Dingwall: Mr. Chairman, on a point of order I am wondering if the government can give the House its assurances that this bill is in its usual form with no deviations whatsoever from the normal form of a supply bill.

Mr. Loiselle: Mr. Chairman, I am pleased to give the hon. House leader of the Liberal Party and to this House the assurance that the form of this bill is the same as that passed in previous years.

• (1830)

The Assistant Deputy Chairman: Shall Schedule A carry?

Some hon. members: On division.

Schedule A agreed to.

[*Translation*]

The Assistant Deputy Chairman: Shall Schedule B carry?

Some hon. members: On division.

Schedule B agreed to.

Clause 1 agreed to.

The Assistant Deputy Chairman: Shall the preamble carry?

Some hon. members: On division.

Preamble agreed to.

The Assistant Deputy Chairman: Shall the title carry?

Some hon. members: On division.

Title agreed to.

The Assistant Deputy Chairman: Shall the bill carry?

Some hon. members: On division.

Bill agreed to.

Bill reported.

Mr. Loiselle moved that the bill be concurred in.

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

Some hon. members: On division.

The Acting Speaker (Mr. DeBlois): On division?

[*English*]

Mr. Angus: Mr. Speaker, it was not the intention to have the motion pass on division. We wish to have a recorded vote. However, we are quite prepared to have the vote as previously taken applied to this motion as well as third reading of this particular bill.

Mr. Hawkes: Mr. Speaker, as long as the motion previously applied is the vote we took on Schedule A.

[*Translation*]

Mr. Prud'homme: Mr. Speaker, there is something I would like to say to a number of members who sit on another committee where we believe it was rather difficult to receive services in both languages in a way that made sense. I simply want to draw your attention to the fact that at long last, thanks to the co-operation of our clerk, we have been able to have this document not only in both languages, as prescribed by law, but in alphabetical order as well, so that when you work in English, it's easy.

[*English*]

If you proceed in English it is very easy. You have your own alphabetical order. For those of us who have to follow in French it was total confusion and so it was corrected.

I would just like to draw to the attention of the member that we are working on a very important piece of legislation called the Electoral Act in which everything is in English. When you write during the election and you have to address yourself immediately to a problem, you have to go through the English alphabetical order and then you are lost. By the time you find it, the problem you want to resolve is already resolved by itself.

I want to show by this that if we look attentively we will save a lot of time and show that it can be done.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Is the Chair to conclude there is unanimous consent for applying the recorded vote taken previously to the various stages of this bill?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): The next question is on the concurrence motion.

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

(*Division No. 360*)

YEAS

Members

Anderson
Atkinson
Beatty
Bjornson
Blais
Bosley
Brightwell
Cadieux
Champagne (Champlain)
Clark (Yellowhead)
Cole
Cooper
Côté
Darling
Desjardins
Dobbie
Dorin
Edwards
Fee
Fontaine
Gibeau
Greene
Gustafson
Hawkes
Hockin
Horner
Hughes
James
Johnson
Jourdenais
Koury
Larrivée
Littlechild
Lopez
MacDougall (Timiskaming)
Marin
Mazankowski
McDermid
McKnight
Moore
Oberle
Paproski
Pronovost
Reid
Ricard
Robitaille
Saint-Julien
Scott (Victoria—Haliburton)
Siddon
Sparrow
Tardif
Thacker
Thorkelson
Valcourt
Vincent
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—115

Andre
Attewell
Bertrand
Blackburn (Jonquière)
Blenkarn
Bourgault
Browes
Campbell (Vancouver Centre)
Charest
Clark (Brandon—Souris)
Cook
Corbeil
Couture
Della Noce
Dick
Domm
Duplessis
Epp
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hicks
Holtmann
Hudon
Jacques
Jelinek
Joncas
Kempling
Langlois
Layton
Loiselle
MacDonald (Rosedale)
Malone
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Monteith
Nicholson
O'Kurley
Porter
Redway
Reimer
Richardson
Roy-Arcelin
Schneider
Scott (Hamilton—Wentworth)
Soetens
Stevenson
Tétreault
Thompson
Turner (Halton—Peel)
Vien
Wenman
Winegard

NAYS

Members

Allmand
Angus
Axworthy (Winnipeg South Centre)
Bellemare
Blaikie
Brewin
Caccia
Copps
de Jong

Anawak
Assad
Bélair
Blackburn (Brant)
Boudria
Butland
Catterall
Crawford
Dingwall

Dionne
Duhamel
Finestone
Flis
Foster
Gauthier
Gray (Windsor West)
Guarnieri
Harvard
Hunter
Karpoff
Kilger (Stormont—Dundas)
Kindy
Langdon (Essex—Windsor)
Lee
MacLellan
Manley
Martin (Lasalle—Émard)
Mifflin
Mills
Murphy
Nunziata
Ouellet
Parker
Plamondon
Prud'homme
Rodriguez
Skelly (North Island—Powell River)
Speller
Taylor
Vanclief
Walker
Wood

Duceppe
Ferguson
Fisher
Fontana
Gagliano
Gérin
Grey (Beaver River)
Harb
Hovdebo
Jordan
Keyes
Kilgour (Edmonton Southeast)
Langan (Mission—Coquitlam)
Laporte
MacAulay
Maheu
Marleau
McLaughlin
Milliken
Mitchell
Nault
Nystrom
Pagtakhan
Phinney
Proud
Riis
Rompkey
Skelly (Comox—Alberni)
Stewart
Tobin
Venne
Whittaker
Young (Beaches—Woodbine)—84

PAIRED—MEMBERS

nil/aucun

The Acting Speaker (Mr. DeBlois): I declare the motion carried.

Mr. Loiselle moved that the bill be read the third time and passed.

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

(*Division No. 361*)

YEAS

Members

Anderson
Atkinson
Beatty
Bjornson
Blais
Bosley
Brightwell
Cadieux
Champagne (Champlain)
Clark (Yellowhead)
Cole
Cooper
Côté
Darling
Desjardins
Dobbie
Dorin
Edwards
Fee
Fontaine
Gibeau
Greene
Gustafson
Hawkes

Andre
Attewell
Bertrand
Blackburn (Jonquière)
Blenkarn
Bourgault
Browes
Campbell (Vancouver Centre)
Charest
Clark (Brandon—Souris)
Cook
Corbeil
Couture
Della Noce
Dick
Domm
Duplessis
Epp
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hicks

Hockin
Horner
Hughes
James
Johnson
Jourdenais
Koury
Larrivée
Littlechild
Lopez
MacDougall (Timiskaming)
Marin
Mazankowski
McDermid
McKnight
Moore
Oberle
Paproski
Pronovost
Reid
Ricard
Robitaille
Saint-Julien
Scott (Victoria—Haliburton)
Siddon
Sparrow
Tardif
Thacker
Thorkelson
Valcourt
Vincent
Wilbee
Wilson (Etobicoke Centre)
Winegard
Holtmann
Hudon
Jacques
Jelinek
Joncas
Kempling
Langlois
Layton
Loiselle
MacDonald (Rosedale)
Malone
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Monteith
Nicholson
O'Kurley
Porter
Redway
Reimer
Richardson
Roy-Arcelin
Schneider
Scott (Hamilton—Wentworth)
Soetens
Stevenson
Tétreault
Thompson
Turner (Halton—Peel)
Vien
Wenman
Wilson (Swift Current—Maple Creek—Assiniboia)
Worthy—115

NAYS

Members

Allmand
Angus
Axworthy (Winnipeg South Centre)
Bellemare
Blaikie
Brewin
Caccia
Copps
de Jong
Dionne
Duhamel
Finestone
Flis
Foster
Gauthier
Gray (Windsor West)
Guarnieri
Harvard
Hunter
Karpoff
Kilger (Stormont—Dundas)
Kindy
Langdon (Essex—Windsor)
Lee
MacLellan
Manley
Martin (Lasalle—Émard)
Mifflin
Mills
Murphy
Nunziata
Ouellet
Parker
Plamondon
Prud'homme
Rodriguez
Skelly (North Island—Powell River)
Speller
Taylor
Vanclief
Walker
Wood
Anawak
Assad
Bélair
Blackburn (Brant)
Boudria
Butland
Catterall
Crawford
Dingwall
Duceppe
Ferguson
Fisher
Fontana
Gagliano
Gérin
Grey (Beaver River)
Harb
Hovdebo
Jordan
Keyes
Kilgour (Edmonton Southeast)
Langan (Mission—Coquitlam)
Laporte
MacAulay
Maheu
Marleau
McLaughlin
Milliken
Mitchell
Nault
Nystrom
Pagtakhan
Phinney
Proud
Riis
Rompkey
Skelly (Comox—Alberni)
Stewart
Tobin
Venne
Whittaker
Young (Beaches—Woodbine)—84

PAIRED—MEMBERS

nil/aucun

The Acting Speaker (Mr. DeBlois): I declare the motion carried.

Motion agreed to, bill read the third time and passed.

* * *

BORROWING AUTHORITY ACT, 1992-93 (NO. 2)

MEASURE TO ENACT

The House resumed, from Thursday December 3, consideration of the motion of Mr. Mazankowski that Bill C-98, an act to provide additional borrowing authority for the fiscal year beginning April 1, 1992, be read the second time and referred to a legislative committee in the Economic envelope.

The Acting Speaker (Mr. DeBlois): Pursuant to order adopted Tuesday, December 1, 1992, the House will now proceed with the recorded vote on the motion for second reading of Bill C-98, an act to provide additional borrowing authority for the fiscal year beginning April 1, 1992.

[*English*]

Mr. Hawkes: I think there would be a predisposition to apply the vote taken on Supplementary Estimates A to this vote as well.

The Acting Speaker (Mr. DeBlois): Is their unanimous consent?

Some hon. members: Agreed.

[*Translation*]

The House divided on the motion which was adopted on the following divisions:

(*Division No. 362*)

YEAS

Members

Anderson
Atkinson
Beatty
Bjornson
Blais
Bosley
Brightwell
Cadieux
Champagne (Champlain)
Clark (Yellowhead)
Cole
Cooper
Côté
Andre
Attewell
Bertrand
Blackburn (Jonquière)
Blenkarn
Bourgault
Browes
Campbell (Vancouver Centre)
Charest
Clark (Brandon—Souris)
Cook
Corbeil
Couture

Darling	Della Noce
Desjardins	Dick
Dobbie	Domm
Dorin	Duplessis
Edwards	Epp
Fee	Ferland
Fontaine	Friesen
Gibeau	Gray (Bonaventure—Îles-de-la-Madeleine)
Greene	Guilbault
Gustafson	Halliday
Hawkes	Hicks
Hockin	Holtmann
Horner	Hudon
Hughes	Jacques
James	Jelinek
Johnson	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Littlechild	Loiselle
Lopez	MacDonald (Rosedale)
MacDougall (Timiskaming)	Malone
Marin	Martin (Lincoln)
Mazankowski	McCreath
McDermid	McDougall (St. Paul's)
McKnight	Monteith
Moore	Nicholson
Oberle	O'Kurley
Paproski	Porter
Pronovost	Redway
Reid	Reimer
Ricard	Richardson
Robitaille	Roy-Arcelin
Saint-Julien	Schneider
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Soetens
Sparrow	Stevenson
Tardif	Tétreault
Thacker	Thompson
Thorkelson	Turner (Halton—Peel)
Valcourt	Vien
Vincent	Wenman
Wilbee	
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Winegard
Worthy—115	

NAYS

Members

Allmand	Anawak
Angus	Assad
Axworthy (Winnipeg South Centre)	Bélair
Bellemare	Blackburn (Brant)
Blaikie	Boudria
Brewin	Butland
Caccia	Catterall
Copps	Crawford
de Jong	Dingwall
Dionne	Duceppe
Duhamel	Ferguson
Finestone	Fisher
Flis	Fontana
Foster	Gagliano
Gauthier	Gérin
Gray (Windsor West)	Grey (Beaver River)
Guarnieri	Harb
Harvard	Hovdebo
Hunter	Jordan
Karpoff	Keyes
Kilger (Stormont—Dundas)	Kilgour (Edmonton Southeast)
Kindy	Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)	Laporte
Lee	MacAulay
MacLellan	Maheu
Manley	Marleau
Martin (Lasalle—Émard)	McLaughlin
Mifflin	Milliken
Mills	Mitchell
Murphy	Nault
Nunziata	Nystrom
Ouellet	Pagtakhan
Parker	Phinney
Plamondon	Proud
Prud'homme	Riis
Rodriguez	Rompkey
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Speller	Stewart
Taylor	Tobin
Vanclief	Venne
Walker	Whittaker
Wood	Young (Beaches—Woodbine)—84

PAIRED—MEMBERS

nil/aucun

The Acting Speaker (Mr. DeBlois): I declare the motion carried. Consequently, the bill is referred to a legislative committee in the Economic envelope.

Motion agreed to and bill referred to a legislative committee in the Economic envelope.

The Acting Speaker (Mr. DeBlois): Pursuant to the order adopted earlier today, the House will now proceed with a special debate.

* * *

SPECIAL DEBATE

SOMALIA

Hon. Barbara McDougall (Secretary of State for External Affairs) moved:

That this House affirm its support for all relevant United Nations Security Council resolutions adopted with regard to the present situation in Somalia and for Canadian participation in the multinational effort to establish as soon as possible a secure environment for humanitarian relief operations in Somalia.

[*English*]

She said: Mr. Speaker, every day from around the world Canadians are confronted with images of conflict, human suffering and deprivation. Every day Canada and the international community have new compelling reasons to help wherever the human family finds itself in desperate need.

Nowhere are the reasons more compelling, the suffering more tragic than in Somalia. We must act now to stop the killing and destruction. We must feed the hungry. We must heal the injured. We must bring families together again. We must care for the children. We must help the proud and peace loving Somali people rebuild their own country and their own lives.

The process of achieving an international consensus to act strongly has taken a frustratingly long time, despite the urging of countries like ours. We were indeed among the first.

When that consensus was achieved by a unanimous vote in the Security Council last week, there was only one answer to the query of whether Canada will help. That answer was yes.

Before turning to our decision to join the unified force, I want to discuss with members of the House the circumstances leading to the decision of the Security Council last Thursday and the government's decision on Friday.

After the overthrow of former dictator Mohammed Siad Barre in 1991, Somalia has degenerated swiftly into violent and brutal anarchy. Tens of thousands of innocent men, women and children have been victimized. The absence of civil order has created a vicious circle of violence, counter-violence, terror and counter-terror, pillaging and senseless killing. In some areas Somalis carry weapons as casually as we carry our bus tickets.

As things stand today, Somalia is a country only in name. Warlords who are more preoccupied with their hunger for power than the hunger of their people have created untold death and suffering in Somalia.

[*Translation*]

Canada fully endorsed the UN's action in Somalia. Last August, the Prime Minister wrote to the Secretary General, President Bush and Prime Minister Major to urge them to vote in favour of UN concerted actions and ask that such actions be paid for through contributions.

When the Security Council approved the deployment of four infantry battalions in the area around Mogadishu Canada was one of the first countries to respond to the Secretary General's request.

• (1840)

Canada has played a leading role in international humanitarian efforts to deliver food and medicine to the Somali people. We sent three military aircraft carrying food and other supplies; we provided nearly $22 million in humanitarian aid to Somalia and Somali refugees in neighbouring countries and we are now looking at ways to further increase our aid.

[*English*]

We and other members of the international community now know that sending food and medicine and other desperately needed supplies is simply not enough because warlords are snatching food right from the hands of weak and starving people to feed themselves and their armed soldiers.

As relief supplies began to arrive in Somalia, they were increasingly the object of theft and attack by armed bandits. It became dangerous, in fact impossible, to guarantee delivery of supplies to those most in need, though supplies did reach some people. Thousands of others were left to starve, cut off from supplies.

Faced with this situation, the United Nations approved the deployment of a peacekeeping mission known as UNOSOM. Its mandate was to protect the delivery of food and other humanitarian assistance, to promote national reconciliation and contribute to internal security and order. From the beginning, the peacekeeping mission itself was fraught with difficulty.

There were delays in achieving agreement among the factions for the deployment of the battalion into Mogadishu. When it was finally in place, soldiers were harassed and attacked to the point where they could no longer do their job.

There were similar delays in getting agreement for the deployment of peacekeepers elsewhere in the country and, in some areas, there still is no agreement.

Anarchy, the absence of civil authority and the breakdown of roads and bridges and water systems led to the need for extraordinary logistical measures in support of the peacekeeping operation.

Canada agreed to provide a full, combat-ready unit with the arms and equipment necessary to deal with the lawlessness. To overcome logistical problems, Canada supplied a ship, HMCS *Preserver*, to provide essential technical and medical support to the unit until UN arrangements could be put in place.

[*Translation*]

Canada has never changed its position on this question. In addition to assigning 750 soldiers to UNOSOM, we have urged the UN many times to take a comprehensive approach to the situation in Somalia that would cover security, humanitarian aid and political settlement of the conflict.

[*English*]

Sadly, over the past several weeks it became clear that humanitarian operations in southern and central Somalia could not overcome the problems of obstruction, looting and extortion by heavily armed bandits. The United Nations was unable to secure the concurrence of Somali factions for the deployment of peacekeepers in key areas of the country where the fighting is going on.

The size of the UN security force was inadequate to secure humanitarian operations. The United Nations Secretary General explicitly acknowledged these critical shortcomings in his letter to the President of the Security Council on November 24.

[*Translation*]

In this letter, the Secretary General gave three reasons for reviewing the premises and principles of the peacekeeping mission (UNOSOM): first, the absence of a government in Somalia; second, the extortion, blackmail and looting with which international aid workers were confronted; and third, the attacks against UN personnel and equipment and other organizations providing humanitarian aid.

In another letter addressed to the president of the Security Council on November 29, the Secretary General begged the council to urgently consider a number of options for dealing with the situation. One of the options was to maintain and reinforce UNOSOM. The secretary advised against this option because, as he said: "Pursuing UNOSOM operations in the present circumstances would not provide a satisfactory solution to the humanitarian crisis in Somalia".

The Secretary-General concluded that more energetic measures had to be taken as soon as possible.

Another option submitted to the Security Council by the Secretary-General and recommended by the latter was resorting to coercive action as provided under Chapter VII of the United Nations Charter. This proposal was approved unanimously by the Security Council last Thursday.

[*English*]

To request contributions of forces and funds from all member states was one of those four main elements. To establish an enforcement operation under American command which has authorized use of all means necessary to establish as soon as possible a secure environment for humanitarian relief operations in Somalia.

Third, to authorize the continued existence of UNOSOM, which will be at the discretion of the Secretary General. He will decide when and where to employ UNOSOM peacekeepers, most likely only when order has been re-established in Somalia.

Finally, to ensure close and effective co-ordination between the United Nations, UNOSOM and the unified command led by the United Nations.

When this government originally decided to contribute 750 peacekeepers to UNOSOM, we felt not only that such a contribution was consistent with our peacekeeping tradition, but that it would be constructive in helping to relieve the misery in Somalia.

Thus, in spite of the serious financial and personnel implications, we believed it was important for Canada to support this UN mission.

Last Friday, my cabinet colleagues and I had to review our original decision in light of recent developments. After full consultation with the Secretary-General, we agreed to participate in the enforcement mission.

We did so because we concluded that only such a mission as this can effectively put an end to the rule of warlords. Only such a mission can restore sufficient order that the hungry can be fed, the sick can have medicine and the injured can have treatment.

Only such a mission can create the kind of environment necessary so that work can begin toward a peaceful, negotiated settlement of the internal political conflict and toward the reconstruction of this nation by the Somalis themselves.

There is an international consensus that such a mission can yield the desired results in a timely way. Speaking to the Security Council last Thursday night, the representative of Morocco thanked the council for passing a resolution that meets the fervent request of so many African and Muslim nations.

By responding to the Security Council in this way, Canada is building on its traditional peacekeeping role. At the same time, we are helping to develop as we said we would the capacity of the UN to meet threats to international peace and security in new ways.

Peace enforcement is, in fact, one of the tasks set out for the organization by the Secretary-General in his report last summer "Agenda for Peace". We applauded that report when it was issued and we have been trying ever since to ensure that the Secretary-General's ideas get wide circulation and thorough analysis.

Now, under tragic circumstances, we will be putting some of those ideas into practice.

In the final analysis, what really counts is to put an end to the banditry and the lawlessness that makes the delivery of food, medicine and essentials impossible to those who need them. Thousands of men, women and children are dying of starvation. The Secretary-General and the United Nations decided rightly that vigorous action is required and we support that course of action.

• (1850)

We realize, just as the Secretary-General does, that military enforcement to secure humanitarian aid is not an end in itself. The enforcement action in Somalia must ultimately facilitate a process of political settlement under the auspices of the United Nations but brought about by the people themselves.

Mr. Speaker, I can assure you and all the members of this House that beyond this military operation Canada will work with the Secretary-General and with others in the international community to help find a durable political solution to this conflict that is in the interests of the Somali people, through diplomatic means and through direct assistance.

Rebuilding civil society and national government in Somalia is not going to happen overnight. The devastation has been far too great. Sadly, it will be a long-term process, in which Somalis themselves will have to take the initiative, together with patient and substantial international support.

It is essential that the military action in Somalia that we have undertaken to join be balanced by UN efforts to promote peace and reconciliation. In some parts of Somalia, such as the northeast, conditions are relatively stable and co-operation does exist for peacekeeping, relief and rehabilitation efforts, so that they may begin.

It is the season when we celebrate peace and when there are so many holidays and celebrations around the world of joy, of a family nature and of a religious nature. Most Somalis also long for peace. They desperately want civil order, and they are willing and prepared to seek a long-term political solution to their internal differences. They also do not want to face weapons and rifles every day as they walk down their streets and paths.

In this regard I am encouraged by the results of the just concluded UN meeting on aid to Somalia that was held in Addis Ababa.

In what is a very bleak and disturbing situation we find one inspiring example after another of courage and devotion to humanity, some by the Somalis themselves, who must have more courage than anyone else. However, I am referring as well to the many international aid workers who have been braving the violence and horror in Somalia, some of them Canadians, to bring relief to the innocent victims of this conflict. They are also uppermost in our minds as we undertake this operation.

I fully support the Secretary-General's position, and I know that members of this House do, that military action must take into full account the security of international civilians and that their safety must be a primary consideration in the enforcement action.

This is, in the season of peace, more than a mission of enforcement. It is a mission of peace. It is a mission of mercy for tens of thousands of our fellow human beings who are living in terror, who are too weak and are moving toward death.

Once again, Canada has been called upon to do its part. Canada must do its part. Canada will do its part. Make no mistake about it, we are determined that this mission will succeed. We will show the people of Somalia that we are ready, that we are able to answer their desperate cries for help as they reach out to us, and finally that we are able to reach back to them.

In the name of peace and humanity, I ask this House and all Canadians to support our decision, as they have since we first moved into this phase of our operations on Friday. I have been touched and overwhelmed by the expressions of support, both from members of this House on all sides as well as from people across Canada who have been urging us and are now pleased that we are saying yes we can and we will do more.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, in opening the response on behalf of our caucus and our leader, let me say that we fully support the decision taken by the United Nations to authorize a mission of mercy and hope into Somalia.

It is an action we have been urging for the last several months. We recognized that the situation in Somalia was deteriorating, that the actions undertaken up to that point were not working, that the suffering was increasing and that the world was watching.

We welcome this initiative. We certainly support the decision by the government to have Canadian forces participate in this new multinational effort. We have been asking since last July that more effective action be taken in Somalia and that Canada take the lead in trying to promote this. We endorse fully the involvement and the contribution that our armed forces can make.

For me, one of the redeeming moments during the debate on the Constitution was when I, along with our leader, was asked to attend a group of Canadian forces leaving Kapyong Barracks to attend a peacekeeping mission in Croatia. It was at a time when the country was being racked and divided by questions about its own unity and its own sense of identity. We went into the barracks and talked to young men and women who came from all regions of Canada, spoke both official languages, represented a wide variety of cultural and ethnic backgrounds and who with one voice were saying they were proud to be going on behalf of this country. It was one of those moments that sticks in your mind and you will never forget.

Endorsing this action and supporting the Canadian participation also requires that this Parliament begin asking some serious questions on behalf of the Canadian people. One thing is very clear. As each day goes by, the United Nations and the participating members cross traditional lines. As the Secretary-General himself said just last Monday: "Experience has shown that this cannot be achieved by UN operations based on the accepted principles of peacekeeping".

The normal conventional wisdoms that have applied to Canadian peacekeeping missions since 1956 are being extended, changed and altered into something very new and very dramatic, something that carries far greater ramifications and consequences and puts into a new dimension the notion of Canadians' role as part of international forces.

The minister said that we are now embarking on a peace enforcement action, a peacemaking action if you like, putting substantial new risks in the way of our forces and putting yet substantial new commitments that we are asking the Canadian people to support. We are breaking ground, we are going into uncharted waters, we are drawing a new map of international rules and procedures and organization for the sake of trying to fill the gap and void that has been created by the end of the cold war. We will be trying to put in place a different kind of international morality and international responsibility.

That is why it is so important and so crucial that such actions be endorsed fully by the Parliament of Canada, speaking for all the Canadian people. We cannot begin to assume automatically that these kinds of new initiatives which are moving Canada, along with other nations, into a substantial new role of intervention and enforcement, can take place without a consensus, without the agreement of the Canadian people. Let us be blunt about it. There will be new risks. There will be new dangers. There will be new tensions. We are putting young Canadian men and women into situations of high risk, of real danger to their lives.

• (1900)

If we are going to continue to do this, we must ensure that it is based on a sound and broad understanding of what those risks are and what the consequences are, and an agreement by Canadians that they are prepared to take that initiative. There is only one way of doing that in our system. It has to be based on a fair and open debate in this Parliament and then approval of this forum.

That is why we have been urging the minister in letters and in comments and statements for several months now to bring these matters before Parliament so that consensus-building can begin to happen, that Canadians can begin to understand.

It was interesting in a speech the minister gave recently when she said Canadians must understand more about what is happening in their foreign policy, the way the world is changing and how it affects them. Yet time after time there has been a refusal or a reluctance to use Parliament as the forum for that education, for that consensus building.

In fact, and I say this with great regret, last Friday when the question was posed by a member of this caucus to the minister about what Canada's intentions were, she did not answer the question but went outside of Parliament to hold a press conference in which the very same matters were addressed.

Trust cannot be built if Parliament is disregarded. A new sense of understanding and comprehension and support and willingness cannot begin to develop if the government evades its own commitment in this Chamber. It is not the Chamber itself that is important, it is what the Chamber represents, which is 26 million Canadians who want to be involved and need to be involved in some basic way in helping to find this new world responsibility that Canada is undertaking.

Canadians have serious questions. Colleagues of mine today have come to me and I have also received calls and letters asking what does this commitment involve? Will Canadian troops be fully supported? Will they have proper equipment? Will they have proper backup of command and logistics and supplies?

These are questions, honest questions, concerned questions by relatives, mothers and friends about troops that are being sent over.

That is why it is absolutely essential and crucial that one of the changes required is the democratization of the way we make decisions, especially on crucial issues where we are committing our forces into risky, dangerous, new situations.

I would hope at some point we can get a commitment from this minister to do that, to begin to democratize the way decisions are made on these crucial matters and to use Parliament as the forum in which it was traditionally and originally intended, not to evade it or ignore, or go around it but to use it in faith as a way of developing a fundamental agreement, a contract if you like, between Canadians in these times of trouble.

Serious questions must be raised concerning the mixed signals that we receive from this government. Just last Wednesday the Minister of Finance brought down a mini budget which contained further substantial reductions in maintenance funds for the department of defence. It did not change the capital expenditures. It did not alter the purchase of helicopters or submarines or anything else, but it changed the operating method. Yet it was just the week before that that the minister of defence said the Canadian commitment to peacekeeping must be pulled back, pulled in, shrunken because there was not enough money to support our efforts.

We have had Canadian generals saying we cannot do any more because there are not sufficient funds to do it. We have reached our capacity, the full scope of our actions, yet the government shrinks its budget and reduces that commitment even further.

We are making promises, commitments if you like, for a role that the world needs, wants and recognizes Canada as having a competence and experience to play. At the same time we are substantially hindering, restricting and limiting the capacity to author and mount a peacekeeping measure.

It means we fundamentally need to have closer synergy between our defence policy and our foreign policy. We have to change the priorities of our defence establishment away from cold war priorities to peacemaking priorities and make sure there is sufficient budget and resources allocated to make that happen. That is another set of questions that needs to be worked out in serious debate and dialogue in this Parliament as to what is this new role and how we properly reallocate and reassign resources to make it happen.

Perhaps a fundamental question is being posed across the country today after the announcement, as I believe is being asked in other national capitals and other countries: If we are prepared to break traditional peacekeeping roles to provide an armed force for the protection of humanitarian efforts in Somalia, when are we going to do the same in Bosnia? Are we prepared to do the same in Liberia?

In other words, there are other areas of intense conflict, human suffering, tragedy and hunger in which there is a compelling need for international involvement and intervention. Does this set precedent or are we picking and choosing between which tragedy we will attempt to respond to?

This morning we held a major round table of Canadians to deal with the situation in Bosnia-Hercegovina representing a wide variety of interest groups and experts with incredibly different points of view. They did agree on one thing, that the present UN role in Bosnia has come to a stalemate and has to be re-energized, reset and re-established in a more effective way. That is

also an important subject for debate in this House. We must come to grips with the fundamental question of criteria. If we are going to establish a new role for peacemaking on what is it going to be based? What are the standards and judgments that will be applied? Will we do it on *ad hoc* basis, situation by situation? Will there be a new policy framework? That is something I think Canadians have a right to know.

When I read the minister's recent speech I must confess it gave me cause for concern. The minister addressed the question of criteria and went through the traditional peacekeeping responsibilities of meeting a threat to peace and security or whether a UN multilateral body had decided. She began to say that there should be new criteria such as costs, risks and potential duration of individual missions, Canada's historic, political and economic interest in the region, a bilateral and multilateral commitment.

It reads to me as a pulling in of criteria, as an attempt to begin to restrict the role, of limiting what our commitments will be. Now that may be a fair proposition. That one I agree with. It may be a fair one but it requires serious examination by the people of Canada, this Parliament and a vehicle of this Parliament.

In addition to the criteria put out by the minister on costs, historic interest, bilateral and multilateral commitments, what we should be asking is whether in the new criteria Canadians have a basic interest in alleviating extreme suffering, stopping extreme human rights violations, crimes against humanity or crimes of genocide anywhere. That should perhaps begin to be the fundamental criteria that we use and then worry about the other particulars, whether in fact there is extreme inhumanity of people against people. That should be the basis upon which we make that decision.

I am prepared to say that I do not think my criteria, the criteria of the minister or those of other critics in the House should be the final say or should be the limit of the debate. It is too serious and too broad ranging for Canadians. It is one of the most important decisions this generation of Canadians will make because it comes to grips with what our international role and responsibilities will be for years to come.

• (1910)

That is why I think it is necessary that we broaden this debate. I do not see the minister in the House at the moment but perhaps she is listening somewhere. The way of coming to grips with this matter would be to send a joint committee of the House and Senate across the country, beginning in the new year, to look at the new role of peacemaking for Canada: what criteria should determine it, what kind of resources should be applied to it, what kind of policies should be utilized for it. There could then be a full, open opportunity for all Canadians to be heard from coast to coast to coast, not just in the confines of the Ottawa region, to come to grips with this most serious of questions. In fact there are the three coasts and one continental boundary. We will cover the entire domain of Canada.

The Senate has already started to hold some hearings. The Standing Committee on External Affairs has begun to look a little at the agenda for peace. It should now become a major commitment and mission of this Parliament to authorize such an undertaking, to show Canadians that they have a right to participate and that this Parliament is coming to grips with these tough, difficult, complex issues.

I again raise a question about the role the minister describes as taking place after the warlords have been disarmed and the corridors have been opened up. In the statement the minister made on Friday she said: "We will participate in the enforcement action only. We do not plan to participate in any subsequent peacekeeping operations".

We may have heard something slightly different this evening in the debate, but frankly I am not sure the minister fully recognizes and accepts that this kind of action is a short-term quick fix and that the tough part, the difficult part, the serious part, will be coming afterward. There will continue to be a responsibility for peacekeeping in a country in which the entire civil authority has broken down. What is the point of moving in, taking the arms away and then moving out again and letting the same forces gather strength and go after each other again? What do we attain by that?

It is important now as a signal of hope to the people in Somalia and other places that the international community including Canada is prepared to stick in. If we are called upon for other commitments and other resources, we will do our best to answer that call. We will make sure that while the troops are in there taking the arms away

there will be serious examination at the United Nations about the rebuilding of Somalia, not just in terms of immediate humanitarian aid but in terms of the reconstruction of political authority, a rule of law, a system of justice and a system of economic development, something that will give some hope.

That just begins to touch on the kinds of questions I think Canadians legitimately have. There are many more questions that I think Parliament deserves to have answered. I would ask during this debate—and I hope we will receive an answer from someone in government—that in addition to this commitment to Somalia we will have an equal opportunity in the very near future to have a similar debate about the situation in Bosnia, what we should do about it, what Canada's role will be in it and what we can do at the UN to try to end the suffering and tragedy taking place in that country at this time. I think we will approach it with the same kind of willingness to co-operate and deal with the matter.

There is an old saying in the Talmud that to save one life is to save the world. Canada is called uniquely at this time to save not one life but many lives. It is an opportunity that may be unique in this generation's history, something that we can look upon as one of the turning points in defining who we are as a country and the kind of role we can play in the world. If Canadians are looking for a sense of mission, a sense of purpose and a sense of what holds us together, perhaps there can be no greater tribute than the call we receive from the world to be a major player and partner in these kinds of initiatives overseas to save lives and to solve tragedy.

If I might, just to add and to strengthen the motion, I would like to move the following amendment:

> That the motion be amended by deleting all of the words after the word "establish" and by substituting the following therefor:
>
> —as soon as possible an enduring secure environment for humanitarian relief operations in Somalia.

Clearly the purpose is to say that this is not a short-term quick fix. Canada is prepared for the kind of commitment that will not only give immediate relief but long-term hope to the people of Somalia and show that in these kinds of adventures, international initiatives, one must be prepared to play out the long haul.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The Chair will take under advisement the motion moved by the hon. member for Winnipeg-South-Centre and seconded by the hon. member for Parkdale—High Park.

[*English*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I rise to speak on the motion before the House regarding the role that Canada should play in responding to the desperate situation facing the people of Somalia. It is fair to say that none of us over the past year has been untouched by the tragedy that we see unfolding in Somalia, the virtual breakdown of a society, the images of death, of starvation, the pain on the faces of the children, the children being victims of a system that quite clearly has gone mad.

There is also the tragedy that almost certainly we will not see and that almost certainly will be occurring on a daily basis, and that is the victimization of women who are always the most vulnerable along with the children in a situation such as the one in Somalia. I am sure that instances of rape and the brutalization of women continue and that we will not see them on television. It is clear that women and children tend too often to be the victims of decisions in which they have not participated. It is against this horror that my party supports this motion.

I want also to say a word of praise for the very brave relief workers who have worked and risked their lives to this date for their fellow human beings in Somalia. It would be very easy for us tonight as parliamentarians to feel very smug that we are somehow suddenly finding our conscience, but in fact it is the relief workers who have worked so hard in Somalia, and indeed in other countries, simply on a humanitarian basis and have been the force behind touching the consciences of this country and many other countries.

Much time has passed since we first learned of the famine in Somalia. It is not the time to feel that we have somehow just found a sense of altruism, but that we must give respect to those who have in fact brought to the attention of the world the situation in Somalia, those who have been workers with non-governmental organizations.

I would like to begin by expressing my profound regret that we are tonight debating a motion on a decision that has already been taken. I cannot say too strongly how anti-democratic I feel this is, how arrogant it is of this government to have taken the decision and then to allow elected members to debate a decision already taken. The democratic process and the parliamentary system in this country are under much criticism. This is why. One's temptation is to ask: "Why would I participate in such a debate?"

• (1920)

However, I and my party feel that the situation in Somalia transcends our own concerns about the inadequacy of this government in seeking out solutions and alternatives, not just giving information but trying to use the best resources in this House of Commons to find alternatives.

The question of when and how to use force is a serious decision, if not the most serious decision, that we as parliamentarians make. Clearly we are making decisions that affect the lives of young men and women. In the past, force has been used by the United Nations in cases in which international law has been broken. We are now being asked to give our consent to the use of force in order to ensure the success of international relief efforts.

In the case of Somalia, the New Democratic Party supports the proposed multilateral effort directed and authorized by the United Nations to establish a secure environment for humanitarian relief operations in Somalia. We must also point out that this is a precedent. This is a new direction. We are supporting the participation of Canada in this effort because we do not live in a perfect world. We know that if aid does not get to those areas where famine has been occurring, millions of human beings could die.

As New Democrats, as Canadians and as internationalists we cannot sit idly by and allow this to happen.

[*Translation*]

Canada has a long tradition of participating in peacekeeping missions. We must help stabilize the hostile situations on our planet and we now have an opportunity to do so.

A year ago, I spoke to a group interested in world peace and security and talked about the opportunities for the United Nations and for civilization in the aftermath of the cold war and in this period of transition toward a new world order.

I explained then that the new world order suggested by some was nothing new. It is a world order which will be controlled by the industrialized nations in their interest and at the expense of developing nations.

I said that the consequences of this new world order for the vast majority of people on earth would be continued poverty, greater instability and, of course, an everpresent climate of insecurity.

I then suggested that we should replace the concept of a new world order with that of a new world community in which all nations on earth could work together in a new era of international cooperation.

[*English*]

The number one threat to security in the world is clearly poverty. In that respect, the government's cuts to its official development assistance to the world's poorest nations is regrettable and offensive. It is clear to us on this side of the House that there will never be peace in the world until we address ourselves to the fundamental issues of poverty throughout the world.

The efforts taken in Somalia could be a real opportunity to forge a new world community, in which our interest in ending hunger means as much as our desire for maintaining our supplies of oil, in which our interest in ending hunger does not fade when we no longer see people starving on television.

To a large degree, the efforts in Somalia could be an important step toward a new world community. However, I would be remiss if I did not point out some of my fundamental concerns with the way in which our government has handled this situation. At the same time, I would like to offer possible alternatives.

First, I am concerned about the apparent lack of a long-term solution. I am concerned about the uncertainty over the role of Canadian forces, the uncertainty as to the role of the United Nations, the United States and to whom the military forces will be accountable.

I am also concerned with the uncertainty over the timetable for the deployment of Canadian troops and the question of who pays and, as I mentioned before, the delayed after the fact consultation with Parliament.

[*Translation*]

I want to emphasize one thing: although we agree that Canada should participate in this important emergency measure, we must remember that it is important to find a long-term solution.

If nothing is done to solve the basic problems and if we do not seek a long-term solution, the problem will resurface once the troops leave.

The long-term solution requires rebuilding of the local political structures. It is also dependent on the involvement of local people and clan leaders in development projects to rebuild infrastructure and restore confidence.

When UN Secretary-General Boutros Boutros-Ghali recommended sending a peacekeeping force to Somalia, he said: "We must also act to promote national reconciliation and thus eliminate the main causes of the humanitarian intervention."

[*English*]

The Canadian government has not given any real indication about its plans for ensuring long-term stability. The Secretary of State for External Affairs said today, when asked this question by me in the House of Commons, that the long-term plan would be looked at after the short-term plan was executed. It seems to me that surely we would not be sending young men and women into a very risky situation without some intervention as well at the diplomatic level and with other countries to work toward achieving a necessary and long-lasting solution.

This clearly is a deviation and a new policy for Canada in many ways. We have had a very long role in peacekeeping and clearly that role is now changing. The traditional peacekeeping is changing into what is being called peacemaking.

The humanitarian grounds that have occasioned this change in policy we certainly support. I think there is an extremely compelling reason to care for our brothers and sisters in all parts of this world. However, I do urge the government to come forward with proposals for a long-term solution, not simply to deny that can wait. These proposals should be debated in Parliament. They should be advocated within the United Nations. We should have a government that is activist in providing real alternatives that will bring long-term peace and stability in Somalia and that will be a model for future crises in other parts of the world.

On the question of the role of the United Nations, I would like to make several comments. We see again for the most part that it is the powerful military dominance of the United States which is taking a leadership role in this effort. While I must commend the UN Secretary-General for setting up an important accountability structure, it is fundamentally not healthy for a country, which incidentally happens to be the single largest debtor to the United Nations, to act as the dominant force in such an operation.

On November 30 the UN Secretary-General wrote to the Security Council and said: "If forceful action is taken, it should preferably be under UN command and control. If this is not feasible an alternative would be an operation undertaken by member states acting with the authorization of the Security Council". However, last Friday the chief of forces said the Americans are going to run this operation.

The lesson of the gulf war and the lesson we are learning now is that the world governments must work to establish a UN command structure, perhaps in consideration of resurrecting the military staff committee of the United Nations. It is now imperative that such a system be established so that future conflicts will not have to be addressed through U.S. command and U.S. control.

Let me stress that it is essential that information be shared with this House of Commons in terms of what the role of our troops will be, how long it is anticipated they will be there and, as I mentioned earlier, the long-term plan. There has been as yet none of these details available to the House of Commons and more important to the Canadian people.

Our party supports the United Nations. We support a reformed United Nations as we feel it is the major hope for humanity in this world.

• (1930)

The Secretary-General Boutros Boutros-Ghali earlier this year tabled significant proposals for a strengthened and revitalized United Nations in his agenda for peace. The UN operation in Somalia represents the first significant test for these principles and I urge the Canadian government and other countries to do their part to ensure that these principles are implemented.

In conclusion, to the men and women who will participate in this mission, we wish them a safe return. There is probably no more noble effort that one can do in life than to help our fellow citizens. In this case we will owe a great debt of gratitude to the young men and women in our forces.

We thank them for their dedication and their commitment. At this time of year when so many families are looking forward to reunions, we also wish the families of those who will be going to Somalia our best wishes and to say to them that our thoughts are with them.

We support this motion because we believe that Canada, in our great tradition, can continue in a humanitarian way to help our brothers and sisters throughout the world.

The Acting Speaker (Mr. DeBlois): The motion moved by the hon. member for Winnipeg South Centre is in order and debate is now on the amendment.

Hon. Mary Collins (Associate Minister of National Defence and Minister Responsible for Status of Women): Mr. Speaker, it is with a sense of hope that I rise today to speak on the motion and I will be directing my remarks to the main motion in the large part.

The motion concerns the deployment of Canadian forces personnel to Somalia in support of the United Nations Security Council resolution 794, adopted on December 3, 1992. I believe that it is only befitting for Canada, a country that has always been known in the vanguard of peace, to act boldly to restore hope to the people of Somalia.

I wish to encourage my colleagues in the House from all parties to join me in supporting this motion and by so doing sending a message of solidarity to the population of Somalia.

Just a few moments ago I was outside the House for the lighting of the Christmas trees and this year the National Capital Commission dedicated the lighting to our peacekeepers.

It was a very moving ceremony and I was joined by a young paratrooper, paratrooper Vienneau who came from Petawawa to represent his colleagues as a peacekeeper. He is scheduled to go to Somalia in a very short time. In talking with him I asked him how he felt, was he prepared. His response was he is ready and waiting to go. He wants to get there.

He typifies to me the men and women who serve in the Canadian Armed Forces who have done such an outstanding job. They are so ready and so prepared to help the world over.

Yesterday I was in Chilliwack meeting with the families of some of our peacekeepers at their little Christmas get together with the children and I had a chance to talk to some of our peacekeepers abroad. I know that hon. colleagues will be pleased to hear that they are doing well and are in great spirits.

One of the mothers told me that her son had asked her why his father had to go away at Christmas. They came from a presentation of some pictures of what was going on and the pictures showed the starving children. After the little boy had seen the pictures he said to his mom that he knows those children need his father more than he does right now.

I would like to thank those families and those children because they are also making important sacrifices as their loved ones serve on behalf of Canada all over the world and very shortly in Somalia.

Before discussing the particulars of our deployment to Somalia, I would like to speak about the situation in that country. I would specifically like to address the political context, the military threat and what the United Nations has proposed to do before the most recent Security Council resolution. I would then like to outline for the House the important aspects of the Canadian Forces' intended role in this operation, bearing in mind that this is a humanitarian exercise intended to create the conditions which will allow the delivery of much needed assistance to the people of Somalia.

[*Translation*]

This mission, which is somewhat similar to the military intervention in Korea and the Persian Gulf war, is an unprecedented effort by members of the international community to stabilize the situation in Somalia and ensure that relief reaches those who need it most.

[*English*]

The simple fact of the matter is that Canada, as a responsible member of the international community, cannot nor should not sit idly by and watch as the situation in Somalia deteriorates beyond hope.

Let me remind members of the House of some of the tragic political and military developments that have occurred recently in Somalia. Somali dictator Siyad Barre was overthrown in February, 1991 after a very brutal civil war. Since then the country has descended into chaos as over 40 clans, once united in their struggle against the government, began to battle for control of the country. An interim President, Ali Mahdi, was installed in Mogadishu and in May, 1991 the northwest region of the country declared its independence as the republic of Somaliland. No country has recognized that independence and neither government exercises anything more than very local authority.

Most of the country is now split along tribal lines with several so-called warlords. We have seen that name being used in the media quite a lot. There are different loyalties and interests battling for power and local prestige. Even within factions chaos reigns as the individual warlords have scant control over their band members.

Most vestiges of the country's social structure have been destroyed in this conflict, leaving a situation of near anarchy. It reminds me of a book I remember reading as a teenager of what happens when law and order breaks down. The pictures I have seen on television have really brought that memory back to me of what has happened there.

Drought and the destruction of the infrastructure have compounded the problem, creating appalling living conditions for the innocent people of this country.

The breakdown of civil order in Somalia has given rise to a situation in which local warlords have armaments of various capabilities. Ill prepared but fiercely proud, this collection of rag-tag bands has wrought havoc on the aid distribution efforts of the United Nations as well as the international agencies of non-government organizations that have been trying to help in Somalia.

We have all seen the images of the commandeered jeeps or the trucks laden with youths and armed with machine guns or other weapons careening down the streets of Mogadishu. Other groups have heavier weapons. These armed thugs have interfered with delivery of relief on the ground, but even aircraft and ships have come under fire. It has become far too dangerous for relief workers. They are intimidated, threatened and prevented from doing the very job which they have been trying to do. Their vehicles have been hijacked and they have even been shot at.

Since the demise of Mr. Barre, 300,000 Somalis have died of hunger or as a result of the fighting. It has been said that four million of Somalia's seven million people need emergency food aid and that two million are currently dying of starvation.

• (1940)

Some will say that these numbers are exaggerated. It is hard to know, but whether they are precise is really beside the point. The fact of the matter is that more deaths in Somalia are too many. We must create a situation in which food is no longer a weapon in the battle for power in Somalia.

As we all know, the United Nations has tried without success to establish a significant and functional presence in Somalia. On July 27, 1992 the UN Security Council unanimously adopted resolution 767, which called for the establishment of an immediate cease-fire throughout the country and prevailed upon the UN Secretary General and the international community to provide humanitarian assistance.

On August 28, 1992 the UN Security Council met and adopted resolution 775 authorizing the expansion of the UN operation in Somalia to a new total of just over 4,600 civilian and military personnel. Since then a Pakistani battalion of 500 troops was dispatched to the Mogadishu airport, but this battalion remains confined to the airport for all intents and purposes. It has basically been held hostage by the anarchy of the state of affairs in and around the city.

Canada has participated in two of the international community's attempts to bring relief to this devastated country. On September 11 we started bringing humanitarian relief from Nairobi, Kenya, using three Hercules transport aircraft and some 70 personnel. This international effort, which is being co-ordinated by the International Committee of the Red Cross, has successfully

conducted 314 flights and delivered more than 4,100 tonnes of relief supplies since early September 1992.

Nevertheless, these aircraft have come under fire while air-dropping supplies to remote parts of Somalia. Another instance of this violence against relief efforts occurred on October 5. While people were unloading the Canadian Hercules and a Belgian transport aircraft at the Mogadishu airport a shell landed between the planes. Both aircraft were forced to depart quickly, and pursued by small arms fire. Fortunately no one was injured.

The other aspect of Canada's contribution to the international relief efforts has been our willingness to participate in the United Nations Operation in Somalia, UNOSOM. On August 28 the Minister of National Defence announced that the government was offering 750 Canadian forces personnel to this multilateral peacekeeping operation. The Canadian Airborne Battalion, reinforced with engineers and support personnel from Canadian Forces Base Petawawa, was ready to deploy to the northeastern part of Somalia in the area around Bossasso. The supply ship *HMCS Preserver* was in the Red Sea en route to Somalia loaded with provisions to make our Canadian contingent self-sufficient.

It was at this point that the United States offered the United Nations up to 30,000 personnel to deal with the situation.

The United Nations Secretary-General considered the American offer and on November 30 presented the Security Council with options for a response to the present impasse. On December 3, the Security Council passed resolution 794 which authorizes: "Member states. . .to establish as soon as possible a secure environment for humanitarian relief operations in Somalia".

As the Security Council resolution pointed out:

> The situation in Somalia is intolerable and—it has become necessary to review the basic premises and principles of the UN effort in Somalia and—UNOSOM's existing course would not, in the present circumstances, be an adequate response to the tragedy in Somalia.

In light of the emerging situation the government was presented with essentially two options. Canada could either participate in this new UN operation to ensure the delivery of humanitarian aid or in the peacekeeping mission that would likely follow.

The government decided to make the most realistic and immediate consideration that it could of our contribution. Given the fact that our airborne battalion was already equipped and prepared to go to Somalia as a part of UNOSOM and that *HMCS Preserver* was already in the area it only made sense for Canada to participate in the first phase. This is a meaningful contribution that we can make now, and with a minimal amount of adjustment to our planned deployment as part of UNOSOM.

Thus, Canadian forces personnel will work together with a number of other countries to ensure that the mission is accomplished with a minimum amount of risk and with the greatest benefit to the needy population of Somalia.

I want to make it perfectly clear that we are participating in this new UN action for humanitarian reasons. As a responsible member of the international community it is our duty to answer the call of the starving people of Somalia. Accordingly, up to 900 Canadian forces ground personnel, 350 personnel aboard *HMCS Preserver*, and some additional people assigned to various headquarters will participate in this new international effort.

We envisage contributing essentially the same force that we were planning to send to the northeastern part of Somalia as part of UNOSOM, which is a parachute battalion with wheeled armoured personnel carriers. However, this task force will take some additional equipment, such as more heavily armed wheeled fighting vehicles, in response to the changing requirements of the mission. This necessary equipment is now in the port of Montreal. The Chief of the Defence Staff has already instructed the commander of Land Forces Command to begin loading operations, so those ships will be loaded in the next few days and ready to sail.

While this mission entails some measure of danger—and no one has denied that, from the UN, the Chief of the Defence Staff, or the minister—we consider the risks to our personnel acceptable. Members of the Canadian forces have an appropriate mandate and the necessary equipment to complete their mission. As with all United Nations missions, contingency plans exist for commanders to take necessary action to protect their people.

[*Translation*]

Our commanders and personnel are competent professionals who have the government's full confidence. They will determine whether or not to use force in the context of the rules of engagement applicable to this mission. The government believes that our military will perform their task impeccably so that humanitarian aid is distributed to the starving Somalian people.

[*English*]

There will undoubtedly be those who cite our involvement in this operation as evidence of Canadian complicity in an American-run show. I should point out that this line of argument ignores several key points. First, there are over 30 other countries involved. In addition to the United States, France, Belgium and Italy will be providing forces. What is even more interesting is that countries like Ethiopia, Morocco, Nigeria, Senegal, Yemen and Zimbabwe, to name a few, will be contributing in one way or another to this operation.

Second, and perhaps more important, this is a UN operation, complete with UN oversight and an *ad hoc* commission composed of UN Security Council members, the membership of which is drawn from no less than a dozen different countries. The Secretary-General, through a liaison staff, will submit regular reports to the Security Council on the progress of the operation, much as a United Nations military command was originally intended to function. In addition, the Secretary-General has been given a mandate to establish a fund to pay for the operation.

Indeed, the willingness of the United States to exercise its power through the United Nations in an operation of this type is something that should be welcomed. For years middle powers like Canada have sought to engage the United States in multilateral endeavours of just this sort.

We have come to learn, the hard way, that the end of the cold war does not automatically guarantee a more stable and peaceful world. As we embark on trying to address the new generation of security problems we should be pleased to be able to call upon the capabilities and resources of a country like the United States.

• (1950)

The situation facing the people of Somalia is neither simple nor unchanging. The international community has for some time now sought a solution to the war and famine that are wracking the country. The measures initially proposed by the United Nations this summer are clearly not enough. The situation has deteriorated further and only stands to get worse. Therefore, a more forceful response is essential.

The United Nations is having to face the challenges presented by the emergence of a new and more complex world. In response, nine UN members have again devised an innovative approach to address conflict and alleviate human suffering.

In summary, why is Canada in Somalia? Because our heritage as a multicultural country and a compassionate society has meant that Canadians cannot ignore human tragedy wherever it may occur. Beyond this, as one of the founding members of the United Nations, Canada has a unique responsibility to support the UN at this critical point in its history.

This is why Canada supports this enforcement action and will back its words with concrete action. Our objectives are clear and simple. We will go into Somalia with other UN members to ensure a secure environment for the delivery of humanitarian assistance and we will pave the way for a subsequent peacekeeping mission.

Our personnel and equipment are ready to go. We are consulting with other UN member states and joint planning is under way as I speak. I think that all Canadians will share my conviction that this is a just cause and my confidence in the ability of our Canadian forces. As a result, I sincerely hope that all members of this House will vote in favour of the main motion and support Canada's efforts to restore hope to Somalia.

Hon. William Rompkey (Labrador): Mr. Speaker, I shall be taking 10 minutes of our party's time. My colleague for Northumberland will be sharing the 20 minutes with me. I would appreciate, Mr. Speaker, if you would indicate when my time is up.

I want to say, as my colleague from Winnipeg South Centre said, that we support the motion with the amendment that this should be a long-term plan and not just a short term quick fix. He has said very ably why this

needs to be done and why this party supports the action of the government.

He has questioned, quite rightly, what happens afterward and what are the long term consequences of what we are doing. He has said too that this brings into question the future of peacekeeping. Canada has been an historic player in peacekeeping. It seems to me that we are in what might be described as a sea change now. We are in a situation which requires not just peacekeeping, but peacemaking.

We have to ask not only what the policy is going to be in future for our forces but we have to ask also—and I want to use my time to ask the specific question—will the resources be available to our men and women overseas to do the job that they have to do? Not only have Canadians got a record in peacekeeping because they are credible, but because they are competent.

I along with other people was in the gulf and had a chance to see for myself that competence and the fact that the Canadian forces performed so well when called upon to do a job. The question is: Are the resources going to be available to them in future?

I remind the House that during the gulf war when our ships were going overseas, we took a gun out of the museum to put on the deck to make the armaments possible. That is not the kind of equipment that competent men and women deserve when they go into a battle situation.

I would remind the House it is not just the gulf where our equipment has been called into question. When General Mackenzie came back from overseas, he said: "Canada won't be able to participate in additional United Nations peacekeeping operations unless the Canadian forces get more money and troops. Our ability", he said, "to respond to future requests has pretty much reached its limit". This was before we went into Somalia. This was pre-Somalia.

He said our infantry force is 1,200 members smaller than the metro Toronto police force and yet we are policing the world. He asked if we could not channel the peace dividend from the cold war into peacekeeping equipment and capability for Canadian troops. That has been echoed by others.

It has been echoed by Colonel Alex Morrison who was formerly of the Armed Forces. As a matter of fact, he suggested that the defence department is thinking of forming a special force specially designed to help meet Canada-UN peacekeeping commitments.

Analysts immediately noted, including Mr. Morrison, that the option is being considered at exactly the same time that the strength of the Armed Forces is being cut. He said: "It leaves me perplexed. On the one hand, the government is systematically decreasing the size of the Armed Forces, and now it is talking about setting up a special force. It indicates that the federal government wants Canada to remain a world leader in peacekeeping without going back on its policy to reduce the size of the Armed Forces".

These statements are from capable men and women, some of whom are serving now, some of whom have served previously. They call into question the irony of at the one hand increasing our commitments around the world, stretching our resources to the limit, and at the same time cutting back on our forces and cutting back on funds.

Recently we saw evidence again in the last economic statement that another $1 billion is being taken from the defence department in addition to the cuts that had been made already, without any indication of where those cuts are going to be made or what the effect might be on peacekeeping or where in fact peacekeeping might have a priority within the spending estimates of the department. These are the questions that the government has to answer. The men and women who are going overseas deserve some answers to those questions.

In this budget as in previous budgets, the Department of Finance is dictating the policy of the defence department. That is not good enough for credible and competent men and women going overseas. They want a clear indication from this government as to where it intends to take us in the future and how they will be supported.

At the same time as that policy statement was made by the Minister of Finance, the Auditor General was questioning the spending priorities of the Department of National Defence. Capital projects are vastly overspent; the reserves called into question in terms of their funding and their capabilities; spare parts are far too costly. We have the irony of increasing our commitments without a clear policy direction. At the same time as funds are being reduced, the spending that is going on of

present funds is being called into question by the Auditor General.

My time is limited and I did not want to be wholly negative on this because as I said at the beginning, we do support this action. These people who are going overseas and indeed all Canadians want these questions answered. They want the questions answered as to the future of peacekeeping. What is going to be the policy and will the resources be there for them?

We need a clear statement from the government on our future, not just in peacekeeping, but in peacemaking. We need a clear statement of what the priority is going to be in resource allocations. Canadians support peacekeeping, but they want a firm assurance that the equipment is going to be there.

I want to close by reading from a letter that actually was written to the Minister of Finance by Valerie Pike of Ottawa. It says what I have been trying to say.

> I would like to express my concern with regard to the most recent, and seemingly endless, decreases in defence spending.
>
> We apparently expect our military to undertake increasingly difficult assignments with not only less funding, but without the certainty of any increased support in the future.
>
> If a commitment to a more peaceful world is still part of the stated foreign policy of this country, then we must be prepared to fully support our peacekeeping operations—
>
> The federal government seemed eager to exploit the popularity of peacekeepers during the recent referendum campaign. While the ads themselves were excellent, one would think that a more concrete demonstration of support would be in order.
>
> In the final analysis a nation should be judged not by the amount of its GNP but rather by the legacy of its contribution to humanitarian efforts. We are in a unique position of having peacekeeping expertise which is the envy of the world. While we may in the future establish an international peacekeeping college, we should in the present fully fund our military. Canadians are putting their lives on the line throughout the world and they deserve our total support. To do less is unconscionable.

• (2000)

We support the present action. We support the objective. We want that objective to be enlarged and to make it clear that it is long term.

It is time to give the men and women who serve in the Canadian forces some clear indication of what the policy is going to be in the future. Moreover, we must give some indication that the resources are going to be there so that we will continue to be capable and effective, not only in this peacekeeping operation but in others that we may be called upon to do elsewhere in the world.

Mrs. Christine Stewart (Northumberland): Mr. Speaker, I am pleased to have this opportunity to speak to the resolution before the House this evening which with our amendment the Liberal Party is very pleased to support.

Who can look at the agony, the misery, the deprivation of tens and tens of thousands of Somalis and not long to personally be able to go out and do something to help them.

I would like to begin my comments by thanking all of those people, Canadian and non-Canadian, who for months and months have toiled under dreadful conditions to try and bring in our name, I would like to think, some help to these starving, violence-ridden human beings, victims of such a horrible situation in Somalia.

We support the United Nations resolution which has enacted an enforcement action, or peacemaking, to resolve some of the problems that exist today in Somalia. Although the peacemaking forces are going to be U.S. led, the United Nations will have an ongoing role in keeping track of what the situation is and the Secretary-General will have a role in continuing decision-making with regard to the situation.

It gives us some hope that finally human beings, innocent victims of violence and famine, are the focus and the target of an enforcement action and that we do not only respond when our own self-interest is at stake. This I believe is an important step for the United Nations and the world and something that can give all of us hope.

Another area to do with this whole operation that gives me some hope for the future is the fact that we are taking an enforcement action to disarm those people who are provoking violence against innocent people in Somalia. Those young people, 11, 12, and 13 years old and their warlord masters did not come into possession of those weapons through their own making. We in the western industrial nations of the world, in the north in particular, have profited greatly over decades by arming people throughout the world and those arms have fallen

to the people who now perpetrate this violence against the innocent of Somalia.

We are now going to have to pay the cost for what we have profited from in the past. Hopefully, through this action, as we pay the cost, I sincerely hope that cost will not be in human lives. As we pay the cost of this operation, I hope we will come to recognize that our profiting from arms sales world-wide is not worth the cost and that we will be more committed than we ever have been in the past to an arms control convention in the world, not just control of large weapons but conventional weapons as well. We will need to put a lot more work and effort into the conversion of our military industrial base and help other nations of the world to make that conversion as well.

Before I continue, I would like to express my dissatisfaction with what is happening in the House this evening. On Friday morning in Question Period I raised the question as to what recommendations the minister would give to this House for prior debate before a decision was made on what we would do in Somalia.

I personally felt that I was treated with contempt by that minister. It was not just that I felt that I was treated with contempt. I felt the people of Canada were treated contemptuously by this minister and worst of all, I feel that this House was treated with contempt by our minister.

She refused to answer the question in the House. She refused to answer to the people of Canada directly where there could be some debate and some discussion and she arrogantly dismissed us and went to hold a press conference to announce the government's decision.

The process cannot continue this way. The people of this country want to be involved. They do care about what is going on in Somalia and what our relationship is to that situation.

To give highlight to some of their concerns so that it is not thought it is just the opposition raising these arguments, I would like to quote from some recent articles on this issue.

I will begin by a quote from an article by Geoffrey York in *The Globe and Mail* this week. He said: "Some relief agencies are worried that the U.S. troops will cause more problems than they will solve. They expect that the Somalis will simply hide their guns until the U.S. troops have departed. Then the same problems of violence and lawlessness could resume".

We have tried to raise this issue this evening, and our action in Somalia which the minister has said will be for a period of up to 12 months with no peacekeeping role after that causes a lot of concern not only to us on the opposition side of this House but also to Canadians. There has to be a long-term view of what we are doing in Somalia. Perhaps it would be appropriate for Canadian forces to be involved in peacekeeping as well as peacemaking.

In quoting Mr. Fennell the article goes on to say: "There are two fears: if the military involvement is too short, things will just go back to the way they are now. And if it's too heavy-handed and neo-colonial, it would just alienate the population".

There is another quote out of *The Washington Post* that says that things could unravel. We have heard from representatives, both in the U.S. and here in Canada, that we can expect casualties in this operation. That means we could have some Canadian casualties.

I would like to reiterate what my colleague from Labrador was saying. I have grave concerns about the cuts which have been made to national defence.

Rather indiscriminately they appear to be on focus. I had forces personnel speak to me after the gulf war project. They said that before they went to the gulf, they had to beg and borrow equipment and clothing from their colleagues before they could head out to the gulf because they were poorly equipped.

We will risk casualties and we will make higher risks than are necessary if our government is not committed to equipping and looking after our peacemakers appropriately.

We want to know if we are going to provide humanitarian assistance through enforcement action in Somalia whether this is a new principle of government policy. Where else might we expect to see similar actions taken?

I will quote from a *New York Times* article that says: "The problem is that if halting starvation or upholding human rights are now legitimate criteria for U.S. intervention abroad, as compelling as protecting traditional strategic interests, where does Mr. Clinton draw the new red line? How much starvation is necessary, or how woefully must human rights deteriorate, to justify U.S."—or we can say Canadian—"action? If Somalia,

why not Bosnia, and if Bosnia, why not Kurdistan, and if Kurdistan, why not Haiti?"

• (2010)

We listened this morning in the Liberal caucus to very dreadful stories that parallel those occurring in Somalia, but they are occurring in former Yugoslavia on this very day.

We must respond as well to the human misery there. We must try new ways to bring humanitarian assistance to the people who are being so violently deprived in that area of the world. We need an opportunity to discuss and debate what it is the government is setting as it takes these new paths.

What are our principles and is the Canadian action now limited as it is to peacemaking only? What is, in fact, in the best interests not just of Canada but particularly in the best interests of the Somalians we are trying to help? Helping them today, disarming today, then abandoning them to allow those with power through guns to re-arm tomorrow is really not helping Somalia.

[*Translation*]

Mrs. Suzanne Duplessis (Parliamentary Secretary to Minister for External Relations and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, I would like to advise you that I will share my time with the hon. member for Rosedale.

I rise in this House as Parliamentary Secretary to the Minister for External Relations and International Development.

The subject that we are debating today is extremely important and historically significant. Indeed, the role that Canada will be called upon to play in Somalia, together with other member countries of the United Nations, goes beyond the roles of humanitarian assistance and peacekeeping that we have traditionally played in the international community.

That is why I consider it essential to examine the reasons for firm intervention by the international forces in Somalia and also the impact of the Somalian crisis on countries in the Horn of Africa and the whole African continent.

The Canadian government's decision to participate in this operation goes much further than the additional measures announced by the Prime Minister on August 21 to support the comprehensive security and humanitarian aid initiative taken by the United Nations in Somalia.

It goes much further because there is no alternative: every effort made so far and all the money spent by the international community to send relief to the sick and starving people of Somalia have not been enough to achieve the objectives.

This year alone, Canada has provided Somalia with food and humanitarian aid totalling more than $22 million, including the emergency aid for Somalian refugees in Djibouti, Kenya and Yemen.

It goes much further because the stability of the whole Horn of Africa is threatened. Although the civil war in southern Sudan continues, some countries are now on the road to recovery and reform. Ethiopia has also begun economic and democratic reforms that give hope. Kenya, which will hold elections on December 29, is moving toward democracy. Canada has given substantial support to the efforts of these last two countries.

The Somalian crisis and the massive movements of refugees in the countries of the region endanger this whole process. The growing insecurity and the drought afflicting the country have forced some 700,000 Somalis to seek refuge in neighboring countries, while 300,000 others are exiled in Europe, North America, Saudi Arabia, Yemen and other regions. Kenya alone has more than 300,000 Somali refugees. Canada will closely monitor these refugee movements and support UN operations in this regard.

We have used every international channel available to get humanitarian relief to various parts of Somalia. Several agencies in the UN network, such as the World Food Programme and UNICEF as well as the International Committee of the Red Cross, take part in the relief operations. A number of Canadian non governmental organizations supported by CIDA are also on location: CARE, Médecins sans frontières, Oxfam-Québec, Hope International.

During the 22 months since the overthrow of the Somali President, the situation has been constantly deteriorating in most parts of the country. Over four million Somalis are suffering from severe malnutrition and malnutrition-related diseases. The death toll since

November 1991 is over 300,000 and an estimated two million more lives are presently threatened.

The Somali crisis emphasizes the convergence of actions—on the humanitarian, political and military level—required to bring about reconciliation and to restore power and authority. You will remember that, following negotiations with the clan leaders last September, the United Nations had decided to deploy troops to increase the protection provided for the unloading and storage of emergency supplies as well as the protection of convoys in and around Mogadishu.

In response to the call from the United Nations, a Canadian airlift operation was undertaken at that time. Three cargo aircraft support the emergency relief effort under the auspices of the World Food Program and the International Committee of the Red Cross. The airlift is between Nairobi, in Kenya, and the southern part of Somalia.

In spite of all the humanitarian and diplomatic efforts on the part of the international community, the situation is still deteriorating, aggravated by numerous confrontations between the various opposing factions.

Just last weekend there were reports in the papers of this state of chronic instability jeopardising the food relief efforts in Somalia. Humanitarian organizations on location attempted a last-ditch on Saturday to ship 400 tonnes of supplies stored in the port of Mogadishu since the beginning of November out to the northern part of the capital under the terms of an agreement between the factions controlling the two sectors. For the first time in three weeks, the convoy was able to leave the port, but attacks on storage facilities in the provinces are now on the rise. There are over 40 more trucks loaded with supplies waiting to leave the port of Mogadishu for the northern part of the region.

[*English*]

The situation has become so volatile that firm intervention by multinational forces has become unavoidable, although the immediate risk of such an operation temporarily interrupting various efforts does concern us very much.

We hope that this intervention will be as brief as possible and that it will meet with co-operation on the part of forces now on the ground. Only the establishment of civil authority will allow us to bring an end to this intervention.

Traditional diplomatic relations do not work in Somalia right now precisely because no civilian or governmental authority structures now exist in Somalia. Humanitarian intervention by stronger nations has therefore become more justifiable because the chances of negotiating order and a political solution are very slight given that the disputing factions have no real identifiable political objectives.

It is essential that the process of reconciliation be set in motion and that civil authority be established. Leaders of other countries in the region have a crucial role to play and I think that we should applaud the initiatives of the Government of Ethiopia to encourage reconciliation in Somalia.

• (2020)

Political instability, drought and civil war remain the principal obstacle to development in the Horn of Africa and they are behind this enormous demand for international humanitarian assistance. Over the last three years Canada has provided to the countries of the Horn of Africa food aid and humanitarian assistance worth some $200 million. It is in Ethiopia and Sudan that the need for emergency aid had been greatest.

[*Translation*]

To manage a durable solution to the chronic crisis raging in the Horn of Africa, it will be necessary to deal simultaneously with the problems caused by heavily armed and militarized societies, massive population movements, ethnic conflict, collapsed economies and environmental destruction caused by human factors.

Mr. Speaker, I would appreciate it if I could go on for another two minutes. I don't know whether the hon. member for Rosedale would let me finish.

Mr. MacDonald (Rosedale): That's fine.

Mrs. Duplessis: The countries in the Horn of Africa must set up governmental structures that are resolutely focused on peace, security and development. In Somalia, however, it is wishful thinking to even consider that a national government could emerge from the current chaos without outside help. It is equally Utopian to imagine, especially considering the current state of the world economy, that the international community could continue to provide humanitarian aid indefinitely,

without looking for ways to introduce conditions that are favourable to reconstruction and rehabilitation of the countries in that area.

The Somali crisis is one example of the need for better co-ordination of humanitarian aid. That is why Canada fully supported creating a department of humanitarian affairs within the UN, while contributing to the central emergency fund set up last December.

I could say a lot more, but I will finish my speech. It is in that perspective that we should see the decision made by the Government of Canada on December 4 this year to take part in operations approved by the Security Council for the delivery of humanitarian aid in Somalia. As a member of this government and as a citizen of a strong, free and democratic country, I fully support this delicate operation and I recognize its historic impact.

In concluding, Mr. Speaker, I would like to remind the House that although the attention of the whole world is now focused on the crisis in Somalia, other nations need international aid and original solutions. I am thinking, for instance, of Mozambique, Angola and the Sudan. Canada must continue to do its fair share within the international community and find long-term solutions to long, drawn out conflicts, especially in African countries.

[*English*]

Hon. David MacDonald (Rosedale): Mr. Speaker, I welcome the opportunity to take part in the debate and, even more, I welcome the opportunity for the debate itself to occur. I have listened carefully to a number of the speeches. I must say that I am a bit concerned at the outset at the attempt to state that we are in some ways not allowing sufficient opportunity for this matter to be debated.

I have heard very few questions in this House raised over the past few months on this issue. It is not only in this House. We have many committees in which this matter could be more effectively and more consistently pursued. I would invite all members of the House to make further and greater use of that because the issues at stake in Somalia are not ones that by themselves can be simply sorted out in a few minutes in the general debate.

One of the things that I think is important to remember in all of this is that at the centre of the present tragedy of Somalia today is the situation in which complete chaos has occurred in the context of high-tech weaponry. Somebody should ask the question: Where did all these weapons come from? They were not manufactured in Somali basements or in garages or somewhere within that country itself.

One only has to review a bit of the history to know that in the 1970s a major conflict erupted between Somalia and Ethiopia in an attempt by the Somalis to regain territory that they thought was rightfully theirs in the Ogaden. Unfortunately, and I will not go into the details this evening, the arming that took place of Somalia, first by the Soviet Union and later by the United States, has left its tragic legacy in that country. There has been increasing concern, particularly since the Iraq war, about the way in which the arms race seems to go on unabated with or without the cold war. We are again seeing the latest manifestation of that in Somalia.

I would hope that members on all sides would pursue this issue much more aggressively beyond this single debate this evening.

The situation in Somalia will not be resolved easily. My colleague from Winnipeg has proposed a slight amendment to the original motion talking about an enduring secure environment for humanitarian relief operations in Somalia. I am not sure that the amendment is quite what the member intends. If it is, I believe it is only going to contribute further to a fundamental problem that we face not just in Somalia but indeed throughout the Horn of Africa and in other parts of the world.

We have become very good, even though I say so myself, at humanitarian gestures and actions. We heard in the recent statement by the parliamentary secretary of the extent to which Canada has consistently responded with humanitarian assistance, but humanitarian assistance is not the solution to the problems of Somalia, Djibouti, Kenya, Uganda, Sudan, Ethiopia, Mozambique, Angola, any of the countries you want to mention where there has been and continues to be internal conflict. The problem in all of these countries is much more long term, much more associated with the fundamental and grinding poverty that existed for far too long and, I would have to say, by the patterns of international economic activity and sometimes external great power conflicts which do their own damage to the ultimate fabric of these societies.

I am most impressed, and it was referred to I believe in a speech earlier today, with the proposal from the Secretary-General of the United Nations, the Agenda for Peace which he proposed to the United Nations earlier this year. Before I talk about that specifically, I want to say that the Secretary-General himself is to be given a very large amount of credit to the degree to which we have already been able to move. It is very little and it is very late, but the Secretary-General from his own personal knowledge of Somalia has risked his own stature of leadership to ensure that the Security Council and the United Nations itself would act in this instance.

In that context he has produced I think what may be one of the most important documents to come before the United Nations since its inception. It is an attempt to break out of a narrow definition of peacekeeping to a much larger definition of peace building, beginning with a whole process much in advance of when conflict finally erupts through what he refers to as preventive diplomacy and then in some cases preventive deployment. I suppose that is what we are into at this point. Then it is the actual business of peacemaking which again is part, I think at least, of this present initiative and then peacekeeping which is a traditional definition and a traditional activity that we have heavily engaged in as a country and, finally, building peace.

I am not going to elaborate on all this but I certainly would invite all members to look closely at the leadership that the Secretary-General of the United Nations has provided on these matters because they are quite crucial.

Just two or three weeks ago, along with several other colleagues from this House, the member for Notre-Dame-de-Grâce, the member for Waterloo and I took part in a two-day meeting at the United Nations in which we looked at this document, particularly in the context of present day Somalia. It was a conference of parliamentarians organized by parliamentarians for global action which attempted to say: "Are there not ways in which we can somehow act more proactively, more constructively and more long term for peace building?"

I do not think the issue here, even at the moment with the extent of hardship and suffering, is simply or finally a matter of making sure enough relief food and relief supplies gets delivered from ports and gets transported to each and every Somali village. It is a question of whether at the end of the day we can ensure that there is a different situation in Somalia so that this situation does not repeat itself again next year or the year after or five years from now. That is very different, if I may say so with respect to the member from Winnipeg, from the amendment he has proposed this evening.

• (2030)

This evening we are dealing in a sense with sending a very large fire brigade to put out the fire. Just like very large conflagrations this is a very dangerous enterprise. No one should be sanguine about the extent to which we are going to risk human lives, along with other aspects of our activity in this situation.

I regard this as a high point in the initiatives of the United Nations and the Security Council in effecting this international effort to try to establish some corridors of peace for humanitarian relief and assistance. In that sense this is an important motion which I hope will be supported by all sides of the House.

I hope we will continue to have not just debates in this Chamber or questions in this House but much more discussion in the committees of the House and in areas where we can do a lot of detailed and important work toward assisting and working with the people of Somalia and their neighbours to establish a just and lasting peace.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, we in the Liberal Party support this resolution to send Canadian troops to Somalia as part of a United Nations sanctioned multinational force to maintain the security of humanitarian relief in that country.

When the hon. member for Rosedale who just spoke opened his remarks he questioned the Liberal Party's position that this matter should first have been announced in the House of Commons and first approved in the House of Commons. That is our position. We say that wherever possible these kinds of operations should be first brought to the House of Commons and approved here.

We say that because this particular type of initiative is of significant difference from the ordinary peacekeeping operations. In this case the use of force is authorized not only by the peacemaking force but obviously can be used against the peacekeeping force by the warlords in Somalia. Therefore Canadian lives are at risk. We believe that if we are going to send Canadian troops abroad where their lives are at risk there should be a broad consensus

in this country to do that, and the place to get that broad consensus is in this House of Commons.

I agree with him that there should be more discussion in committee. We are not against press conferences, but we believe that when Canadian troops, young men and women, are sent abroad on high principle, I admit, but with their lives at risk, that matter should be discussed and approved in this House of Commons. There may be occasions when the government will not be able to do that. We understand that, but in those cases it should come back to the House as soon as possible.

We must recognize immediately—and I referred to it a few minutes ago—that this initiative is an important breakthrough, another important breakthrough on the road to establishing more effective UN peacekeeping and in this case we could call it peacemaking.

Somalia is now a wasteland of warring clans. There is a total collapse of public order with random killing by tribal warlords and mass starvation. It is a situation of chaos. A few years ago there were seven million people living in Somalia—that is an estimate—and today we have already had one million of those seven million people fleeing the country as refugees, refugees from war or famine. We have within the country 1.5 million people on the verge of starvation and 3 million more in desperate need.

We all know that the United Nations has tried to come to the relief and the help of these people. It has approved humanitarian aid and food aid, but because of the warring factions in that country these relief efforts have been faced by extremely dangerous and difficult situations. It has been almost impossible in many cases to deliver that aid.

As hon. members know, UN peacekeeping started in the 1950s as an initiative of Lester B. Pearson, a former Prime Minister of this country who won the Nobel Prize for his proposals in setting up the first United Nations peace forces. Over the years, Canadians have played a prominent role in almost every peacekeeping operation.

Even during the cold war, new peacekeeping operations were approved but innovation or improvement was impossible in the system. However, with the end of the cold war during the last two years peacekeeping has been given a new life. We can see what has been done in Namibia, Afghanistan, Cambodia—that operation is in some doubt now but it is one of the largest peacekeeping forces ever mustered by the United Nations—and western Sahara and so on. There has been a new life, a new impetus for UN peacekeeping operations.

There have also been new innovations with respect to peacemaking and enforcement. While I did not fully agree with the multinational force that was approved for the Iraq-Kuwait war, the gulf war, because I felt it was not the last resort in gaining a peaceful settlement in that conflict, and while I believe that it was not fully responsible to the United Nations, it was still an attempt at establishing a new means of settling international conflicts.

After the war, the United Nations set up the safe zone for the Kurds within the territory of Iraq. That was another new development. Recently there was the dispatch of UN forces to the former Yugoslavia, which is a disintegrating nation.

In these new innovations there has been some difficulty with article 2, section 7 of the UN charter which says: "That nothing contained in the charter shall authorize the United Nations to intervene in matters which are essentially within the domestic jurisdiction of any state". But it goes on to say: "This principle should not prejudice the application of enforcement measures under chapter 7".

A major issue for the countries of the world is how to balance the principle of non-intervention in section 7, which I just referred to, and the need to protect groups within nations who are the victims of genocide or mass violations of human rights, as has been spoken to by the United Nations in its convention against genocide and its convention for human rights. There is an obligation, as we have seen in countries like Somalia and Yugoslavia, for the UN to intervene and protect these people who are being destroyed, not only as individuals but as nations of people.

So far these new innovations have been *ad hoc*. But they are providing the groundwork for new approaches in preventive peacekeeping and in enforcement of UN

orders with respect to keeping of the peace and preventing conflict. As others have mentioned, the new Secretary-General of the United Nations, Boutros-Ghali, has published his agenda for peace in which he has quite specific proposals to bring about preventive peacekeeping and other measures for global security.

While we approve, in this resolution before the House, of yet another *ad hoc* measure we recognize that there is a need to formalize new rules with respect to these matters and institutionalize those new rules so that there will be criteria upon which the United Nations and the Secretary-General can intervene in accordance with the rules of law.

The two major questions that the United Nations and the people of the world must decide upon are: one, to what extent we must balance that principle of non-intervention with the duty to protect innocent people for humanitarian and other reasons; and two, to what extent will we go beyond peacekeeping into areas of enforcement and preventive peacekeeping?

• (2040)

As we approve this motion it is obvious we will have to consider its implications for the conflict in the former Yugoslavia, a very tragic war with its ethnic cleansing and genocide.

I also want to mention the whole problem of refugees. We were critical last summer when the minister of immigration announced a special program for Yugoslavia to reunite families; a program for 10,000 families amounting to about 26,000 persons and said if you are going to do that for Yugoslavia you must also do that for Somalia.

On November 13 the minister did go part way as part of the United Nations' 100 day action program for accelerated humanitarian assistance to Somalia. He did recognize or put forward a new program for family reunification for Somalians but it is on a much smaller scale than for Yugoslavia and he hopes, he says in the letter that he sent to the Somalian community in Canada, that he will consult with it on the carrying out of this program.

In conclusion, while we approve of this resolution to send our troops to Somalia, we recognize there are risks, that some Canadian soldiers could be killed and therefore, as I said at the beginning, it is essential in these situations that Parliament give its approval in advance.

We support the resolution. We hope our Canadian troops will be well supported in Somalia. We hope they will return safe and sound with their mission well accomplished.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, thank you for reminding us that we are now debating the amendment to the motion. The motion as amended will read: "That this House affirm its support for all relevant United Nations Security Council resolutions adopted with regard to the present situation in Somalia, and for Canadian participation in the multinational effort to establish, as soon as possible, an enduring, secure environment for humanitarian relief operations in Somalia".

I do not know why the member for Rosedale had difficulty with our amendment. The last thing we want is UN troops going in, putting everything in order for a week and then as soon as they are out everything is back to chaos. That we do not want and that is why our critic put in that amendment.

My first contact with Somalians was in my own riding of Parkdale—High Park. Many Somalians are settling in my riding. They already have a Somalian community centre. Many of them are getting into small businesses such as food processing, the restaurant business and what have you. Many of them have their Canadian citizenship already and are permanent residents. I know this debate tonight is of great interest and great importance to them.

It is important to them because they have many families separated by this war. Just last Friday I tabled a petition on their behalf, urging this government to speed up the unification of families. Again, it has taken two, three, four years to unite families.

Whether it was people from Ukraine, Poland or wherever, when it came to reuniting families I do not know why it takes this government so long to reunite families. I urge the government to please speed up the reunification of these families. A separated family is not good for Somalia, it is not good for Canada.

My second encounter with Somalians was in the neighbouring country of Ethiopia when I was there with the hon. member for Rosedale observing its regional elections on its request. I must compliment the member for Rosedale on the kind of reputation he left for

Canada when he was its ambassador for two years and when he was in charge of distributing food to the starving in Ethiopia.

I hope Canada will get the same reputation in Somalia as we have in Ethiopia. It was very heart-warming when the embassy car would stop at the stoplights or if we were walking along the street the children and elders would be whispering or shouting Canada, Canada. I hope we will leave the same kind of reputation in Somalia.

Canadians have watched the scenes of horror in Somalia and I am sure that we all agree that something must be done to get humanitarian aid to the starving. The main question is what is the best course of action?

Last Thursday the United Nations Security Council unanimously passed Resolution 794 which calls for an unprecedented effort to ensure the proper delivery of emergency relief supplies throughout Somalia. This decision is the first in which the United Nations has intervened in a country's internal affairs with a mandate to use offensive force if necessary. In my opinion, this is the most significant decision taken by the Security Council since the gulf war.

Since 900 Canadian lives are going to be placed on the front lines of this extraordinary relief effort, the decision to send our troops deserves close examination and debate by this House. Our task as members of Parliament is to reflect the concerns of all Canadians, especially the families of Canadian forces personnel who are sacrificing Christmas at home and who must accept the risk that our ground forces will be far more vulnerable to attack than our participation in the gulf war.

I am naturally concerned, therefore, that the Secretary of State for External Affairs announced last Friday that Canada will participate in this U.S. led force without consulting Parliament first and not announcing it in this House when she had the opportunity.

The hon. member for Northumberland in Question Period on Friday asked the secretary of state whether we would be committing troops or not. The secretary of state had a golden opportunity to make that announcement in this House. What did she do? She ran out to the media and made the announcement to them. Despicable behaviour.

Security Council Resolution 794 is a significant departure from our conventional understanding of peacekeeping. In fact, we are breaking new ground with the risky and untried proposition of peacemaking. My party supports this decision of the United Nations to take firmer action in Somalia but we must be convinced that this is the best course of action to get food and aid to the starving and the ill in that country.

What about the promise by President Bush to pull U.S. forces out by next January? Where does that leave the multinational force? Where does that leave the Canadian troops? Where does that leave the neighbouring Ethiopian forces that, with limited resources, will also be participating?

We are intervening in a civil war without any guarantee that the prime motivator of this action, the United States, is willing to finish what it starts. We could be faced with another protracted conflict, the likes of which could go on for years. We risk diving into an open-ended conflict with no game plan after mid-January. Do we really think that we can solve all of Somalia's problems in less than two months? Is it fair to the people of Somalia to restore the peace for one day and then hastily retreat out the back door? I would like to know the government's game plan before we commit to a multinational force. Clearly there is a need to finish what we start in Somalia.

I agree with taking the first step. If we do so, we must be prepared to take the responsibility of ensuring long-term security in the region. Otherwise all our efforts will be wasted on the warlords who will resume the war as soon as the multinational force departs from the country.

It is also not clear to me who is responsible for the financial commitment to restore the vital infrastructure and the democratic institutions in Somalia. Is it simply expected that the United States will stick the international community for the bill as it always has done with the United Nations? The Secretary-General, I understand, is authorized to set up a fund to pay for the operation and that is fair. However, I must ask the United Nations, why are Canadian taxpayers paying $14 million per annum for our troops in Cyprus? I just visited these troops a week ago.

Is it fair that the countries who commit the troops and other resources are the ones that pick up the tab or

should it be all the countries that belong to the United Nations sharing the cost? I think the answer is clear.

The United Nations' charter calls upon the member nations to respect human rights and fundamental freedoms. The charter calls for a deeper understanding for the rights of minorities, including protection for the more vulnerable groups in societies such as women and children.

How will the action in Somalia affect the way we handle the civil war in Bosnia-Hercegovina? Is the international community prepared to take the same risks on behalf of the innocent women and children in Bosnia-Hercegovina as in Somalia?

• (2050)

This morning our critic chaired a round table on the problems of Bosnia-Hercegovina and we had Canadians of Serbian, Croatian, Albanian, Greek and Bosnian descent there. It was a true Canadian way of debating, at the round table, not shouting at each other but giving recommendations. This is what the government should be doing, getting out and listening to Canadians. However, the government is not doing it so we in the opposition party will do it.

In my riding I have constituents representing both the Somali and the Bosnian communities. They are going to ask me if the Government of Canada is willing to act in the same consistent manner in each region.

At this time I am not sure that anyone can provide that answer, but I caution the government and the Secretary of State for External Affairs that we must at least have a game plan over the long term, lest we be forced to follow the whims of super powers and then suffer the consequences.

Last Saturday I attended the annual Christmas festival put on by the Parkdale Intercultural Council. The Parkdale Intercultural Council tries to invite Canadians who are newer arrivals to Canada. In addition to the Ukrainian performers and participants we had Somalis, Vietnamese, El Salvadorans, and people from Zaire and Thailand.

I looked up the national anthems of all these countries and they all had something in common. All the people of those countries wanted peace. It was so striking to me that at this time, the Christmas season, all the national anthems call for peace and development.

I hope through Resolution 794 that we will have peace not only in Somalia but in Bosnia-Hercegovina and all around the world.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I will be dividing my time with my colleague from Saskatoon—Humboldt and we will each be taking approximately 10 minutes.

I rise to speak on behalf of my colleagues in the New Democratic Party in making it clear that while we support the resolution which is before the House and support the amendment which has been proposed by my colleague from Winnipeg South Centre, we do have very grave concerns about the process which has led us to this debate.

Last week we in the New Democratic Party called on the government to recognize that before a decision committing Canadian troops to a very dangerous new mission involving the real threat to life was undertaken that Parliament should be consulted. There should have been an opportunity for Parliament to have input before that decision was announced.

Instead what we saw was the minister announcing the decision and now today suggesting that Parliament is in a position to debate a decision which has already been made.

This represents a fundamental contempt not only for this Parliament and members of this House but, as well, for the Canadian people who surely should be consulted through this House before a decision this fundamental has been made.

The member for Rosedale has pointed out rightly that Canadian lives are at risk. Nine hundred members of the Canadian Airborne Regiment will be in Somalia in the very near future. However, the minister suggested that in response to a question from my leader earlier today that governments have to make decisions.

I very much regret that in this particular instance the government has chosen to ignore the important principle of consulting with Parliament before this decision was made.

Having said that, I want to make it clear that we do support the proposed deployment of Canadian forces to Somalia in accordance with the provisions of Security Council Resolution 794. It should be very clearly understood that very dedicated members of the international

aid community have expressed concerns about the potential impact of a massive military intervention on the safety of international aid workers, particularly one under the United States leadership.

I think it is important that we recognize the context here today, that some 300,000 people have died in Somalia this year alone from starvation, disease and warfare. Almost a third of the population, two million people, are threatened with starvation and 250,000 to 300,000 could die before Christmas without any help.

It is also important that we not forget our history, that we recognize for 10 years, from 1977 to 1987, the United States poured almost $800 million into this client state. There were massive weapons supplies dumped into that particular region. Of course, there was the propping up of a corrupt and increasingly brutal Siyad Barre. When he collapsed, they walked away but they left behind weapons.

There were massive quantities of weapons: mortars, air-to-ground rockets, plastics explosives, M-16 rifles and tens of thousands of mines. These weapons used against the people of Somalia by Siyad Barre had been supplied by the United States. Therefore, it is essential that we recognize the history, the fact that the international community has a responsibility here.

Certainly we would have preferred, as indeed the Secretary-General himself indicated in his letter to the United Nations, that there be a country-wide enforcement operation under United Nations command and control. Unfortunately, according to Secretary-General Boutros-Ghali, the UN does not at present have the capability to command and control an enforcement operation of the size and urgency required by the present crisis in Somalia.

One of the reasons for that is the fact that the United States has not paid its dues. It has not paid its peacekeeping commitments for too many years, which is certainly an essential element of any lasting change in the approach of the United Nations. There must be a recognition that the principles set out by Secretary-General Boutros-Ghali in the Agenda for Peace earlier this year must become a reality.

There must be a United Nations standing army so that we do not have to depend on *ad hoc* decisions by the United States or by other countries. We must also recognize that there remain many questions about the nature of this operation. Indeed, it is essential that humanitarian aid be provided to those who are starving literally by the thousands, but what exactly is the scope of this operation?

Secretary-General Boutros-Ghali has pointed out that in addition to getting humanitarian aid through, in his words it is going to be essential for "at least the heavy weapons of the organized factions to be neutralized and brought under international control and for the irregular forces and gangs to be disarmed".

That is a very dangerous and risky operation. The lives of Canadian men and women are clearly at risk and many questions remain unanswered about the scope and mandate of this operation. What is essential is that there be a rebuilding of civil society in Somalia. Somalia is basically a country without a government. It is a country in a state of anarchy.

Africa Watch has pointed out the importance of rebuilding a civil society and the importance of the United Nations working together with those elements of Somalia society that in fact have survived the ravages of Siyad Barre. They include the Somali Red Crescent, informal organizations of Somalis that have distributed food, cared for the sick, the wounded, for children, the elderly and the traditional clan elders.

I believe it to be profoundly tragic that the former United Nations special envoy for Somalia, Mohamed Sahnoun, who had been negotiating effectively with all elements of Somali society to secure an end to the conflict and to protect the relief effort and was negotiating with traditional Somali clan elders, was pulled out of that particular region.

It is essential that there be a resumption of political dialogue and negotiations under United Nations leadership. Canada can play an important role in that process. The Secretary of State for External Affairs has said that Canada will participate in the initial humanitarian intervention and then will pull out. We will not participate in the ongoing peacekeeping efforts.

• (2100)

What will our role be internationally after we have pulled out from Somalia? What will our role be in working with the NGOs which, under the government's recent economic statement, are going to have their budgets slashed? The very NGOs, Oxfam, Care Canada and other NGOs that are working in the field and to whom we owe an enormous debt of gratitude are having

their budgets cut by this government. Clearly that too is unacceptable.

I think that we as Canadians have the right to ask as well within the context of the United Nations: What about consistency? There is a human tragedy unfolding in Bosnia. Surely if the United Nations is prepared to act and to act vigorously and pursuant to an international mandate to the Security Council in Somalia, there are other crises including the crises in Bosnia, Liberia and elsewhere that must be addressed as well. There cannot be one standard in Somalia and another in Bosnia where genocide is unquestionably taking place.

In the longer term, we may very well have to look at a role for the United Nations in terms of some form of trusteeship in Somalia to help to restore civil society, to look at the possibility of an international conference under United Nations auspices to bring together the various parties to try to arrive at a permanent and lasting solution.

The final point I want to make is again to underline the risks in this operation. It was an old Somali proverb which stated that all Somalis will ban together against the non-Somali intruder. The fear of course is that if this operation goes wrong, what could happen is that the various warring clans might come together not only against the United Nations, but against the some 400 international aid workers as well with tragic consequences.

We join in applauding the courage and the dedication of the Canadian troops which will be working in Somalia, the Canadian Airborne Regiment. We wish them well. We think of their families at this very difficult time and certainly we hope for a solution that will not only bring badly needed humanitarian aid, food and drugs to that region but as well will involve the rebuilding of a civil society and a government for the people of Somalia.

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, Canada is right to offer troops to the United Nations rescue operation in Somalia. The situation there is ghastly and the reality of the famine and the external wars has left limited choices and left the entire people in peril.

It is impossible to remain aloof while gangs of undisciplined bandits operating for their own profit only are able to impede the delivery of emergency food and medicines to those Somalis who have need of that food and those medicines.

If we are to believe the reports that we hear, and we have no reason to disbelieve, we are told that thousands or more people are dying every day and that up to two million lives are at risk. Boutros Boutros-Ghali last week informed the United Nations that if food is to reach those trapped by the war situation in Somalia, there is no alternative but to use either the threat of force or to use actual force.

Much as many of us abhor supporting armed intervention, when it is the only way to save millions of innocents from death by starvation or disease, we are forced to support it. Now the government must do what it can to make sure that what the United Nations is doing and what we are taking part in is done right and that any action taken by the United Nations sanctioned force is not done in vain. We have a responsibility if we are going to be part of this intervention by the military that when it is over the country will not revert to its present chaotic state.

We also have a responsibility to do right for another important reason. Somalia is not the only humanitarian crisis in the world today. Others are, as mentioned by my colleague, Bosnia, Liberia, the Sudan. These are situations that are crying out for solutions. The United Nations is entering into the new era of peacekeeping and peacemaking. It would seem that we are moving into a more interventionist mode. A well-intentioned but badly conducted operation in Somalia could set a wrong precedent and make it more difficult or even impossible for the United Nations to intervene on the side of peace and humanitarian treatment of the people in the future.

It worries me that this initiative seems to be so U.S driven, so Bush driven if you wish. It seems to me that the need for the United Nations has never been greater in the world. Only through the collective initiatives of the nations of the world will we be able to seize the new avenues of opportunity to address the problems of today and of tomorrow; not just issues such as Somalia, Yugoslavia, the Middle East, but all of the tensions that are caused by poverty, by the population explosion,

degradation of the environment, social injustice and abuse of human rights.

A Bush/United States driven initiative in Somalia may not be the best entry into the new world community.

What is lacking from this decision? What is lacking for us here in Canada and probably for the whole world? What must we, as Canadians, be sure is in place if we are going to go on as part of this kind of intervention in the future?

First of all, it is necessary to define the principle of humanitarian intervention. What does it mean? Is military intervention justifiable in Somalia because civil order has collapsed, famine threatens the entire population and all other peacekeeping efforts have failed? Is rapid response absolutely necessary? Will those be the requirements of all intervention in the future? Or has the United Nations, in this particular situation, crossed the line in respect to sovereignty; is there need for a new definition of sovereignty which would not have allowed the United Nations to take this kind of action in the past?

Second, there must be a set timetable. To avoid a Vietnam syndrome sort of approach and to avoid the quagmire of continuing war, we should establish a deadline which will require the Security Council or at least the Secretary-General to have to renew the troops' mandate at some time in the future. That has not been done at this time but it should be recognized as a necessity in the future.

Third, we should sign up more allies. A U.S. operation, conditional on U.S. leadership, smells too much of Desert Storm. Europeans and other African states, as part of the intervening troops, would make the intervention much more palatable to many people of the world, and I am sure to the Somalians as well.

The leadership should be UN driven. Again, U.S. command does not sit well to many people. A multinational command would be more United Nations related and would not contribute to the United States global cop image.

Fourth, we should define the goals now. It is obvious that the short-term goal is humanitarian related and the disarming of the warring factions within Somalia.

• (2110)

What are the long-term goals and who will fulfil them? In every case is this to be the kind of intervention that we can expect in the future? There must be long-term goals not only in Somalia but in other countries where the UN is operating. There should be action to help the Somalians build a new society.

A large number of NGOs from Canada has been operating in the Horn area. They met on November 26 and November 27 in Ottawa. The idea of intervention into this particular situation was brought before the meeting. They had great concerns. They suggested that the proposed massive intervention may jeopardize the long-term prospects of peace in the region, but they agree that intervention is possible and is probably absolutely necessary under the circumstances.

However they say the intervention should be limited. No more than is absolutely necessary should be put in and the intervention should be monitored. It should not be left up to the United States. It should be monitored by someone who can be objective about what is going on at a particular time. It should also be monitored within recognition of the regional realities of the particular area. In other words, although they think this is necessary they have a great concern that it must be done properly.

That is my message here tonight. If we are going to do this in the future as we have done in the past but under new terms, those terms must be established so that we do this right, that we do not add to the dangers of the situation but make them better for the future.

[*Translation*]

The Acting Speaker (Mr. Pronovost): The House will now hear two members of the Official Opposition for a 20 minute period to be divided equally. The next 10 minutes are for the hon. member for Bonavista—Trinity—Conception.

[*English*]

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I am pleased to have the opportunity to debate the motion before us this evening.

I have watched like all our colleagues the situation unfold over past months and indeed in the last few days since we have more or less had a commitment of troops to the area. I see many similarities in the situation tonight as had existed almost two years ago to the day with respect to committing troops to the gulf, young Canadian sailors, soldiers and airmen in a situation of risk as is always associated with peacekeeping but in this

particular case and the instance in the gulf more risky than heretofore.

I feel very conscious there are many watching us in the emergency debate this evening, particularly the families and friends of those young Canadians who are about to embark on this operation. I express to them—and I know I speak for all of my colleagues on both sides of the House—the appreciation we have for the dedication of their husbands, wives and relatives and indeed for their professionalism. They go forward in the mission we are debating evening with our full confidence and I hope with unanimous support that they are doing for Canada what Canadians want them to do. This is the crux of the debate here this evening. We are debating this matter so that Canadians can approve or disapprove of this operation and of future operations.

This operation is not as large in scope as the gulf operation but in risk, it is at least as great. In the opinion of many, the risk is greater. We have to be cognizant of that as we debate this motion.

There are some similarities with the gulf operation. I hope we can learn from that experience. First and foremost, we have to be very, very careful that we understand why there is support for this operation. Why are we supporting participation of Canadian troops, young Canadians in a far off land for humanitarian purposes?

A lot of us feel more sanguine, more clear on participation in this than we did in the gulf operation. It is not because there is civil disobedience and civil breakdown in a country. It is not because it is perhaps less difficult to confront disorganized warlords, a lot of them teenagers, than it is to face Serbian-trained Bosnians, a situation we were involved in a few months ago. It is because all other peacekeeping efforts have failed. It is because an entire population of a country is threatened by famine and it is because there is need to act now.

I believe that Somalia should be seen as a testing ground for a better United Nations operation. My colleagues and I had a lot of problems with the previous operation. Strictly speaking, it was not in any sense of the words a United Nations operation. The command was different. The control was different and the reporting mechanisms were different. I hope in this operation at least more tools of the United Nations mechanism will be put in place.

I understand that the Secretary-General of the United Nations has accepted there will be United States command. No doubt that gives President Bush more leverage to commit up to 30,000 American troops. However, I hope the United Nations mechanism will be in place so that at least the reports will go to the United Nations. My colleagues and I hope there will be more of the United Nations military committee organizations set up so that the operation will come into force.

My third concern is that we not ignore Parliament. As I said, this operation is different from the gulf operation. I certainly sense from Canadians a concern that we are getting into an area of peace building that is beyond what we were doing when we started in 1948 and progressed over these many years.

In the last two months I have communicated with four constituents who have been concerned about the safety of their children who are serving now. While there is risk, I assured them that the Canadian forces, because of their professionalism, the leadership of their officers and the understanding of their seniors, they will have the best support possible. Anything that can be done for them will be done, be it in Canada, afloat, in the air or on the ground.

I would like to assure them, in consonance with the concerns of my colleagues as espoused by my hon. colleague from Winnipeg—South Centre, because of the changing nature and the growth of this peacekeeping operation idea in practice there is a pressing need that there be something institutionalized to keep a watchful eye from a parliamentarian viewpoint.

• (2120)

We need to have either a combined committee of the Senate and the House or a combined defence and external affairs committee because as our troops embark on this operation, with Christmas coming, the House will unlikely be sitting for another month and one-half. I believe that calls into necessity more than any other time the need for a standing institutionalized system of parliamentary watch on this operation.

My next point is that we must have defined goals. Clearly the immediate goal is for humanitarian aid, to deliver medical and emergency supplies to those who are trapped without it. Otherwise we are looking at the death of two million people.

That will be achieved within a certain time frame, but beyond that, and this is why I support the amendment to the motion, where do we go from there? Do we get rid of all the arms? What about the refugees? What happens to them?

Are we going to develop a new society for Somalia? I do not want to cut into my colleague's time and so my final concern is that at a time when we are at the highest for peacekeeping, at the highest for risk taking operations in Canadian forces, the operations budget is being reduced: $225 million this year, $375 million next year and $740 million the year after.

I would not want to think that defence policy was being made by the Minister of Finance. I hope that this operation will not be impeded in any way shape or form by the reduction in the operation of the national defence budget.

In closing, I once again, as I said at the opening, share the concern of those loved ones who are sending their husbands and wives, friends and sons and daughters on this operation, particularly at Christmas time. I can assure them that we will do all we can to ensure that they have the proper support and that the Canadian forces will, as usual, do this as a totally professional operation.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, the situation in Somalia is very grim. The picture is very grim. This point has been made by other speakers and it does not need to be reinforced.

Let it only be said that according to reports coming from the International Committee of the Red Cross, Africa Watch and Physicians for Human Rights, the situation there is of such a nature that the world community must intervene and carry out humanitarian action.

The second point that must be made is that in supporting this initiative on the part of the Government of Canada, and as to the role that Canada should play in Somalia, something must be said about the fact that this is a new type of intervention. This is a major change in policy and therefore when this takes place, as it has been customary in Canadian politics and particularly in external affairs policies, the public should be consulted and involved.

The Secretary of State for External Affairs did not inform and did not consult Canadians. No debates took place before this decision was made. The issue is not a new one. It has been burning for a considerable length of time.

We have now crossed a threshold from peacekeeping to peacemaking. Having done so, we will be facing very soon questions as to what we do in the conflict in Bosnia or in Liberia or in Kurdistan, Haiti or in any other parts of the world. That question will have to be addressed by the present and subsequent governments of Canada.

The third point that needs to be made is there is a strange notion on the part of the government benches that this will be a brief intervention. Far from it. Peacekeeping has been engaging Canadian troops for sometimes 10, 20 years and even longer as the experience in Cyprus has shown, as the experience at the border between India and Nepal has shown. Certainly peacemaking can take up the same time, if not more time, than peacekeeping. Therefore we have to approach this new policy in a different manner than so far.

Fourth, the point has to be made concerning the budget. Are the funds available for a peacemaking action of this nature which may take much longer than anticipated? Only a few days ago the Minister of National Defence was expressing doubts as to whether he would have sufficient funds available to carry out a measure of this nature.

If the government cannot give assurance that there are enough funds, that the budget is not adequate, we are in serious trouble. The Secretary of State for External Affairs tonight did not touch on budgetary matters and did not give assurances, thus dispelling any sense of doubt on the ambiguity created a few days ago by the Minister of National Defence. The question of budget is very central and very important.

Finally, I would like to ensure that my colleague from Renfrew—Nipissing—Pembroke has time to make an intervention. Our thoughts also go to the Canadians of Somali origin in Montreal, Toronto and other centres who are very anxious to have family reunification brought about. They have gone through incredible hardships and sacrifices in the last year and even longer, sometimes two, three and four years.

The reunification of married couples has to be brought about by the Department of Employment and Immigration. We urge the government to take the necessary steps to bring this unification about.

To conclude, what we are witnessing tonight is an important step in the development of Canada's foreign policy. Having crossed the threshold from peacekeeping to peacemaking, we are seeing a new dawn emerging in international relationships. We are seeing probably the transfer of sovereignty from individual nations to a larger body called the Security Council in the United Nations. This may bode well for the world community but it is also fraught with uncertainty and hardships.

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, first of all I want to thank the hon. member for Davenport for giving up some of his time, and I would like his constituents to know that I am very grateful to him for that.

I want to put a personal note on this debate tonight because I live three miles from the Canadian forces base gate in Petawawa where 900 troops are now ready to go to Somalia. It is just a short time ago that I went up to say goodbye to 150 that went off to Cambodia, another 50 off to Kuwait to explode the munition dumps and the shells lying around in that country after the gulf war.

Canadians have tremendous expertise to offer the international community. This exercise upon which they are about to embark is going to be a great challenge and a much different challenge than we have been used to having within the United Nations ambit.

I want to say something about our personnel in the Canadian forces and to follow up on the comments that have already been made. As Canadians we cannot continue to be the great moderation force and the people who go out and build bridges among groups, to keep peace in countries, to tone down international fires so they are not going to become big fires.

• (2130)

We cannot do that unless we have the numbers of personnel in the Canadian forces to do it. I want to say tonight, very strongly in support of the Canadian forces, that if there ever was a time in history, Canadian history and world history, when Canadians have the talents they have to offer the international community and to tone down trouble spots in the world, it is now that we should be supporting a stable number in the Canadian forces to go out to do this job.

Our Canadian forces are professional soldiers. They are professional politicians because they know how to make deals, and they are professional diplomats because they can get along with almost anybody.

I want to say a word about military families. When we send these troops off to these various places in the world to keep the peace we forget about those who have been left behind. Our hearts must go out to the families of these soldiers who are going away at Christmas and others who are serving this country around the world in peacekeeping missions under the UN. Let us remember them. Those families are also contributing to Canada.

I want to say that this Parliament of Canada, tonight and in the days ahead, must support our Canadian forces in numbers, in morale and in realistic terms. Then we will have the ability to send soldiers out into the world to do the great things on the international scene that must be done to maintain peace in this world. We can no longer allow little battles here and there in this world to simmer into big battles and lead into a third world war. It is inhumane, it is just impossible to even imagine it.

If civilization is to survive we must cultivate the science of human relationships, the ability of all peoples of all kinds to live together in the same world at peace. That is what our Canadian peacekeeping forces and our Canadian military are all about. Let us all support them in their efforts across this nation and be proud of what they are doing for this country in every trouble spot in the world to which they are sent.

Mr. Robert Wenman (Fraser Valley West): Mr. Speaker, since I was a child I can remember pictures of Ethiopia and Somalia, the two poorest countries of the world. I can remember those terrible pictures and those images. This is not a new problem. It did not start with this particular round.

In 1980 I was made aware by the Somali community of the crisis at that time. I got together with a non-governmental organization and we raised $200,000. We got some milk powder and we headed over to Somalia. We landed in Mogadishu and then we drove for eight hours

out through the camels and out over the desert. We bumped along until we came to 60,000 people huddled in little bush shacks. They had denuded the sparse desert to put these together around a little mud hut that was not higher than four or five feet tall. In these little huts were largely mothers and children.

We took them the food that we had, the powdered milk, and they started pouring out of these little mud huts. They lined up 10,000 mothers and children but we only had two trucks. That is all there was. So they weighed each child as the mother stood there hoping that her child would make the weight per age according to the standard, and the child was given back to the mother again, again and again. She took them back to die.

When I see these things on television day after day I have to turn away because that reality is so intense for me. I came back to Canada and said we must do something about it. I talked to CIDA and was told that it was not a program country. I talked in the committee and I questioned all the then ministers at the time.

I have to say that there were one or two compassionate ones on the immigration side sitting across from me who did their best to help but it was not a country program. We could not add another country. It was not French. It was not British. It was just the poorest country in the world. We could not add it to the country program. We have not added it since.

They were dying then and they are dying today, and they have died by the thousands ever since then. They will keep on dying.

What do we have to bring to them? We bring them weapons and soldiers. Probably we have to do this to make the peace now, when we should have made the development funds available 20 years ago.

It is a tiny little country. There are only five or six million people. It has some mining resources. It has some fishing resources. It had an opportunity. Sure it has a repressive government so nobody wanted to touch it with a ten-foot pole back then. I met that supposedly repressive president, President Barre. At 2 a.m. he scheduled his appointments. Corrupt as he may or may not have been at least there was a semblance of order that could have started the process and could have meant some hope.

Maybe this is hope that we offer today in the form of trying to make peace.

If we move all of this big equipment in there, and all of these people from all over the world, if we make the peace and then move out what have we done? What have we done? I urge that this House think of the vision that I have, it is so indelible in my mind and I have never felt this way before, of dying children, of mothers carrying their children who have to die. This is the beginning of an enlightenment, a recognition of the future of Somalia, and the beginning of the planning for the development programs, the free market system and so forth, and even democracy, that can give hope to Somalia.

I thank the House for this debate. I thank the members for their participation. Now let us have a comprehensive look at Somalia in its present and its future.

The Acting Speaker (Mr. Pronovost): It being 9.26 p.m., pursuant to the order made earlier this day, the three hours provided for the consideration of the motion now before the House have expired.

It is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the motion. Accordingly the first question is on the amendment of the hon. member for Winnipeg South Centre.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. Pronovost): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Pronovost): Pursuant to order made earlier this day the recorded division stands deferred until three o'clock p.m. Tuesday, December 8, 1992.

[*Translation*]

It being 9.40 p.m., this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

The House adjourned at 9.40 p.m.